

Realty Trust Review

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RELATIVE APPEAL RANKING & ADVISORY ISSUE

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INVESTMENT OUTLOOK: WITH RECESSION AT HAND, SELECTED REIT STOCKS STILL FAVORED

We continue to feel that new Federal Reserve chief Paul Volcker will have to force domestic interest rates up to defend the dollar in international markets.

But as we look at the REITs one by one, remarkably few appear vulnerable. The property trusts have cut out short-term floating rate debt by and large; better, they are enjoying surges in rents that are pushing net cash flow and dividends up. Terrydale Realty and Property Trust of Amer. have just boosted payouts.

At the other end of the spectrum, most deeply troubled trusts have locked in bank debt at fixed rates so rising

ROSTER OF NO. 1 RANKINGS

Dividend payers

CleveTrust Realty
Conn. Gen. M&R
Federal Realty
Hospital Mtg. Gr.
Hotel Investors
MassMutual M&R
Mtg. Growth Inv.
Pacific So. Mtg.
Penn. REIT
#United Realty

No dividend

Compass Inv. Group
Cameron-Brown Inv.
Eastover Corp.
GMR Properties
Great Amer. M&I
Indiana Finc'l.
Maryland Realty
#Moraga Corp.
Mtg. Tr. Amer.
Security Mtg.
Tri-South Mtg.

Audit holds minor positions; p.2

rates are of little threat. Moreover, bankruptcy actions look to be in their final stages at Chase Manhattan M&R, Guardian Mtg. and Metroplex Realty. And Continental Mtg. Investors, the biggest REIT bankruptcy, is so flush with cash--\$118½ million--that bank lenders of \$473 million are finally talking settlement so they, too, can collect some interest.

Middleground mortgage trusts still into banks have looked vulnerable -- yet the majors (Equit. Life Mtg., MONY Mtg. & Lomas & Net. Mtg.) have held payouts. Thus their stock prices have started to rise.

RANKING CHANGES IN THIS ISSUE

INCREASES IN RANKINGS

C.I. Realty, No. 3 to No. 2, for new management and possible liquidation.
Continental Mtg., No. 4N to 3N, as settlement prospects improve.
IDS Realty, No. 3N to 2N, on possible acquisition.
Independence Mtg., No. 5N to 4N, on plans for swaps to retire all bank debt.
Metroplex, No. 5N to 3N, on confirmed reorganization plan.
Tri-South Mtg., No. 2N to 1N, on meeting liquidity needs by debt restructure.

DECREASES IN RANKINGS

GREIT Realty, No. 1 to 2, on price gains that limit appeal.

KEEPING UP WITH OUR SISTER SERVICES

REAL ESTATE DISCLOSURE DIGEST's Aug. 17 issue will contain a review of major Canadian real estate company stocks and feature their investment activities in the United States.

Single copies: \$15 prepaid

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RELATIVE APPEAL RANKINGS AND LATEST RESULTS

Relative Appeal (RA) Rankings, shown at extreme left, give Audit Investment Research's current view of relative attractiveness of new share purchases. All trusts are ranked from No. 1 to 5 based on individual dividend and earnings outlook compared to the overall market. Non-dividend paying trusts are shown with an "N" beside their rankings. Each summary contains brief advice and comment. Changes in rankings are indicated by UP and DOWN. Relative Appeal Rankings mean:

- 1--Highest appeal with lowest market risk; Dividend and earnings outlook stable to up.
- 2--Above average appeal, higher market risk; Dividend increases or resumption possible.
- 3--Average appeal and market risk; Dividend fluctuates or resumption possible long-term.
- 4--Below average appeal, high market risk; Dividend cuts or omissions possible.
- 5--Least general appeal; Special problems suitable for sophisticated investors only.

NON-DIVIDEND PAYING trusts are not recommended for income investors but may have trading appeal as speculations upon quick or large price moves on asset swaps, money market or other news.

All numbers are amounts per share except those denoted "M" or "T" for million and thousands respectively. E or Est.=Estimates for current or next years. EPS=Earnings per share. CFS=Net cash flow per share as computed by Audit Inv. Res. GCF=Gross cash flow per share. d=Deficit. FY=Fiscal year. p=Preliminary. Data, rankings and advice reviewed bimonthly. See footnotes p.16 for important information on Tax status, Taxloss, Depreciation, Loss Reserve, Net Cash Flow. *Priced July 24; all others Aug. 6. Bid prices used for all OTC stocks. # Audit Investment and/or its officers & employees hold minor positions in or are retained by these stocks.

2N-AMER CENT: \$5.75 (ACT-NYS) Comment: Buy, recovery & improving props. May sell some props. for \$2-\$4/sh. gain. (Shs: 2607T, Book p\$5.37). Bonds: Speculative yield. Intangibles: Loss res.\$5.87; Taxloss \$8.94. Assets: \$97M, 10% non, 40% low-earn; 67% forecl.; Mix: 40% office, 22% hotel, most Wash. D.C. Financing: \$68M debt is 4.8X \$13.2M net equity. \$41M bank debt at 4/79 extended to 12/81 @ prime to 10% maximum.

EPS:	Sept.	Dec.	Mar.	June	Year
FY'78	d19c	d13c	d7c	9ca	d28ca
FY'79	d7c	d17c	d9c	32c	+ 1/2c

a-Incl. 9c asset swaps.
(NON-QUAL TRUST; Life co. advisor)

2 -AMER EQUITY INV: \$9.00 (AEQTS-OTC). Comment: Buy for yield, part from capital gains, & improving operations. (Sh: 2497T, Net book \$6.46; Accum. Deprec. \$4.62). Assets: \$60M, 1% nonearn. Mix: 82% props., 18% mtgs. on props. sold. Properties: 80% garden apts. w/3,650 units; 49% Tex. Financing: \$45M mtg. debt is 2.8X \$16M equity. Earnings: June Q 61c incl. 41c sale gain; Div: Pd \$1.12 FY'78 (61% cap. gain) \$1.30 last 12 mon. (Admin. by Life Investors Insur., Cedar Rapids, IA)

3N-AMER FLETCHER: \$2.25* (AFM-OTC) Comment: Hi-risk spec. on more improvement & poss. acquisition. Clean balance sheet. (Sh: 1352T; Bk \$1.37) Intangibles: Loss res. \$4.25; Tax-loss \$16.21. Assets: \$29 1/2M, 68% non-& 16% low-earn; 68% forecl. Mix: 71% land/dev.; 33% ind. Financing: \$19M bank debt is 10.5X \$1.9M equity. \$19.4M bank debt to 12/31/82 accrued at 4% inter., 2% cash + contingent to 114% prime.

EPS:	Apr.	July	Oct.	Jan.	Year
FY'79	67ca	42ca	d4ca	1.22a	\$2.33a
FY'80	d17c				

a-Asset swaps & NOL: \$2.37 in FY'79.
(NON-QUAL TRUST: Indiana bank advisor)

5N-AMER REALTY: \$3.25* (ARB-OTC) Comment: Sophisticated spec. only on restructuring; Liquidity low; Broker Brent Baird bought 5 1/2%

& joined board. (Sh: 2222T, Bk \$3.04) Bonds: Indenture Trustees for 7% convts. and 9 1/2% debts. won judgments for inter. & prin. defaults; Plan being formulated. Intangibles: Depr.\$3.61; Loss Res: 52c; Tax-loss: 72c. Assets: \$35M, 39% nonearn. Mix: 74% prop. incl. 40% hotels Wash.D.C. area, 24% raw land. Optioned sale of Atlanta site @ \$1.63/sh. gain. Financing: \$26M debt is 3.8X \$6.8M equity; Seeks to restructure demand debt & pay bond maturity. Earnings: Mar. Q 4c incl. 11c sale gain. (FY Sept.; NON-QUAL TRUST: Self-administered)

2N-API TRUST: \$2.25 (APITS-OTC) Comment: Selling assets to pay debt; recovery spec. on final restructuring of sponsor Arlen Realty. (Sh: 1012T, Book \$7.15) Intangibles: Loss res: \$2.40; Depr. \$1.72; Taxloss NR. Assets: \$35M, E19% nonearn. Approx. 18% inv. assets due from Arlen Rlty. Mix: 37% prop, most shop. ctrs; 12% financing leases, 51% mtgs. Sold 11 shop. ctrs, to sell 6 more. Financing: \$26 1/2M debt is 3.7X \$7.2M equity; Debt is \$18M mtgs. & \$8M bank.

EPS:	June	Sept.	Dec.	Mar.	Year
FY'78	3c	d7c	d47c	d55c	d1.07a
FY'79	32cb	d19cb	3cb		

a-Incl. 65c loss on asset sales. b-65c gains on asset sales.
(Advised by Arlen Realty subsidiary)

2N-ATLANTA NAT: \$5.13 (ATI-X-PhSE) Comment: Long-term hold at 41% below book; Lee Balter/Reed Rubin w/17% took board seats Oct.'78 (Sh: 1273T, Bk \$8.70) Intang: Loss res. \$3.88; Tax-loss \$7.86. Assets: \$23M, 49% nonearn, 34% forecl., rest mtgs. Mix: 27% apts., 21% land, 19% condo; 34% TX, 36% Fla. Financing: \$6M bank debt is 0.5X \$11M equity; Bank at 11.5% of prime may be repaid & assets converted to cash.

EPS:	Nov.	Feb.	May	Aug.	Year
FY'78	d12c	d4c	24ca	d1c	6ca
FY'79	d3c	d17c			

a-Incl. 11c inter. reversal & 2c taxloss.
(NON-QUAL TRUST; Self-administered 5/31/79.)

1 -BAYSWATER: \$11.50 (BRITS-OTC) Comment: Buy/hold on price decline as liquidate spec.

NYC stockbroker Carl Icahn group w/35% of sh. elected new trustee slate in May, cancelled old adviser, changed name (was Baird & Warner); Goal: Increase sh. value. (Sh: 1043T, Bk. \$15.65). Intangibles: Loss res. \$3.32; Depr. \$1.51. Assets: \$39M, 26% non-earn, 5% forecl. Mix: 43% investment prop, mostly apts., & 53% const. loans. Financing: \$20M debt is 1.2X \$16M equity. Two banks cancelled \$18½M credit & demanded \$1½M loans.

EPS:	Oct.	Jan.	Apr.	July	Year
FY'78	d3c	d59c	d8c	d23ca	d93ca
FY'79	d1c	d50c	35c		

a-Incl. 5c asset sale gains.

Est. FY'79 better. Div: Last paid 5c sale gains in Dec. (Now independently managed)

2 -BANKAMER RL: \$18.50 (BRLTS-OTC) Comment: Hold for income and asset growth. (Sh: 3547T, Book \$17.28) Converts: Yield. Intangibles: Loss res. 90c; Depr. \$1.02. Assets: \$173M, 13% non- & low-earn. Mix: 42% prop, 26% apts, 32% shop.ctr. Combines land/lease & LT mtgs. Financing: \$114M debt is 1.9X \$61M equity. Debt: \$55M comcl. paper, \$7M bank short.

EPS:	Oct.	Jan.	Apr.	July	Year
FY'78	1.41a	18c	31c	37c	2.27a
FY'79	32c	42cb	37c		E 1.50+

a-Incl. \$1.46 gain on asset sale. b-16c asset sale gain.

Div. Q 25c; \$1.00 ann. rate; '78 payout 78% cap. gain. (Advised by sub. of largest U.S. bank)

#2N-BARNES MTG: \$2.50 (BARN-OTC) Comment: Improving recovery spec. as condo sales pickup may cut losses. (Sh: 1910T, Book \$9.30) Intangibles: Loss res:\$1.70; Taxloss \$8.31. Assets: \$73M, 82% nonearn, 47% forecl. Mix: 44% condos, 32% land/develop.; 43% Fla., 32% Puerto Rico. Financing: \$52M debt (most bank) is 2.9X \$17.8M equity. Debt at 125% of prime to 12/80; Missed repayments & talking.

EPS:	Dec.	Mar.	June	Sept.	Year
FY'78	d19ca	d20ca	d23ca	d78ca	d1.40a
FY'79	d50cb	d52cb			

a- 93c asset sale gains + 20c swap gains.

b- 76c asset sale gains in 6 mos.

(NON-QUAL; Converting to Homac-Barnes Inc.; Self-adm. 1/79)

3N-BAY COLONY: \$6.63 (BAY-NYSE) Comment: Take some profits after runup; Hold longer term. Calif. rly. co. DVM, Inc. buys 7.8% shs. (Sh: 3315T, Book \$6.27) Bonds: Hold. Intangibles: Loss res. \$3.83; Taxloss \$8.05. Assets: \$151M, 47% non-earn, 20% low-earn. 36% held for sale; Mix: 19% apts., 32% land; Developing land. Financing: \$118M debt is 5.7X \$21M equity. Bank debt \$15M at 3% due 2/81 & \$63M at 8½% due 5/86.

EPS:	Aug.	Nov.	Feb.	May	Year
FY'78	d1c	d7c	7c	d7c	d8ca
FY'79	7cb	31cb	d25cb	1cb	12cb

a-18c swap gains; b-96c sale gains.

(NON-QUAL TRUST: Self-administered)

2N-BRT RLTY: \$1.50 (BRT-ASE) Comment: Spec. on recovery; Broker Brent Baird bought 5%. (Sh: 1400T, Bk \$2.17) Intangibles: Loss res. \$2.48; Taxloss \$2.71. Assets: \$23M, 63% nonearn; 49%

hotel. Financing: \$15M debt is 5.0X \$3.0M equity. \$9M bank debt @ ½% over prime to 7/81.

EPS:	Feb.	May	Aug.	Nov.	Year
FY'78	d5c	26c	31c	d41c	d51c
FY'79	d5c	d7c			

Possible 20c/sh. inter. forgiveness in Aug. qtr. (NJ realty broker adviser)

2N-BT MTG INV: \$2.25 (BTM-NYS) Comment: Spec. on keeping positive equity after swap gains. (Sh: 2116T, Bk p78c) Bonds: Risky hope assets recover by '82. Intangibles: Loss res. \$10.39; Taxloss \$6.57. Assets: \$114M, 69% nonearn, 34% forecl. Mix: 30% apts., 15% motel, 10% nursing home. Financing: Swaps cut debt to \$54.4M over \$1.65M equity. \$35M bank credit to 1/14/81, at 0% int. if amortz. terms met. Sponsor lends 63% credit. Swapped \$46.8M assets 5/18/79 to give \$1.65M positive equity, & elim. all con-ting. int. Proposes issuing 550T wts. @ \$2.30

EPS:	Dec.	Mar.	June	Sept.	Year
FY'78	d5cb	31cb	d14cb	d47cb	d35cb
FY'79	22ca	25c			

a-Incl. 35c int. arrears. b-\$1.20 a swap gains & 31c sale gains.

(CAN END REIT; Advised by sub. of Bankers Trust, NYC bank)

4N-BUILDERS INV: \$2.19 (BULDS-OTC) Comment: For believers; long recovery. Issued 1M wts. ex-er. @ \$1.72 to settle class action; wts. re-deemable @ \$1.40 in '82. (Sh: 2929T, Bk 54c) Intangibles: Loss res. \$6.50; Taxloss \$15.88. Assets: \$120M, 46% non, 35% lowearn; 29% condo 24% land. Financing: \$109M debt is 183X \$0.6M net equity. \$83M bank debt at 2% to 9/79; 3% & higher after to '83. Assets pledged; Seeks stretch of '79 repayments incl. \$5M not paid 7/5/79. Earnings: Mar. Q d35c after net 17c extra gains. (FY Sept.; NON-QUAL; Self-adm.)

1N-CAMERON-BR: \$5.75 (CB-NYSE) Comment: Recovery spec. on bank debt paydown; Clean bal. sheet & 40% below book; Asset swaps boosted book. (Sh: 2016T, Book p9.53) Intangibles: Loss res. \$5.34; Taxloss \$5.56. Assets: \$62M, 52% non- & 26% low-earn; 61% forecl. 22% FL; 17% GA. 31% apts., 47% land & devel. Best assets gone. Financing: \$38M debt is 2.2X \$17M equity; \$33M bank debt at 5% or net income to 12/79; No sub. debt; \$5M interest notes.

EPS:	Mar.	June	Sept.	Dec.	Year
1978	d25ca	d11ca	9ca	1.27a	1.01a
1979	25cb	86cb			

a-Incl. \$2.06 swap & 80c sale gains '78.

b-Incl. \$1.21 swap & 16c sale gains '79.

Cut bank debt to \$27M in Apr. w/60c/sh. gain. (NON-QUAL TRUST: Advised by N. Carolina bank.)

2N-CAPITAL MTG: \$1.38 (CMU-PH) Comment: Spec. buy on potential merger; Ended talks with private Columbia Corp., Md. S&L holding co. (Sh: 1675T common, Bk d88c) Pfd.: 548T conv. sh. issued to banks in lieu of inter. Converts: Interest current; Hold for workout. Intang: Loss res. \$9.67; Taxloss \$10.17. Assets: \$53M, 50% nonearn, 36% forecl. Mix: 39% land (being developed), 6% hotel/motel, 35% LT mtgs. 50% Wash.D.C. area. Finances: \$40M debt over \$1½M neg. net equity; Bank credit expired 8/1/79 & seeks new agreement.

EPS:	Mar.	June	Sept.	Dec.	Year
1978	49¢a	d55¢a	d1¢b	19¢b	10¢ab
1979	11¢b				

a-Swap gains: 62¢ + 44¢ tax benefits '78.

b-Sale gains: 45¢ '78; 8¢ '79.

(NON-QUAL TRUST; Independent Wash. DC mgmt.)

2N-CENTRAL MI: \$9.25 (CMRTS-OTC) Comment: Buy/hold at 31% below book; operating in black & selling land; Rejected one merger overture but still buyout. (Sh: 775T, Book \$13.50) Intangibles: Loss res. 87¢. Assets: \$16M, 14% non- & 2% low-earn; 17% forecl. 35% apts., 36% land; most Midwest. Financing: E\$2.8M debt (92% bank) is 0.3X \$10M equity. \$8M bank credit to 10/80 at 117% of prime permits new loans; No subor. debt.

EPS:	June	Sept.	Dec.	Mar.	Year
FY'79	26¢a	54¢a	60¢a	8¢a	\$1.48a
FY'80	29¢				

a-Incl. 47¢ asset sale gains+ 23¢ nonrecur.

(Advised by Minneapolis mtg. banker)

5N-CHASE MAN: \$1.00* (CMR-OTC) Comment: Avoid or sophisticated spec. via bonds; Stock dilution under proposed plan. (Sh: 5142T, Bk d\$6.30) Bankruptcy: Filed Ch. XI 2/22/79; banks dominate creditors' cmte. Filed amended plan 4/20 w/court & 6/26 w/SEC to seek creditor OK of: Exchange new Ser. A pfd. w/\$30.75 liquidate value & convt. into 24½ sh. (or poss. 41.4M new sh.) as follows: Repay defaulted 7-7/8% sr. notes @ 90% of par + 7 pfd. sh. (Est. \$1070 value); Swap assets & issue 5.1M sh. for \$150M issue 5.1M sh. to banks; All subor. debt would get \$220 cash + 20 pfd. (Est. \$710 total val). New voting lineup (diluted): Subor. debt 68%; banks 10%; current shs. 10%; Sr. notes 12%. If accepted trust would keep 2,700-acre Palmas del Mar resort in PR & 3 other assets w/\$50M total value (or 97¢/sh. on potential sh.) Six noteholders seek Ch. X & hearing Sept. 10. Taxloss \$8.90; Loss res. \$5.19 (on curr. sh.).

EPS:	Aug.	Nov.	Feb.	May	Year
FY'78	39¢	d1.69	d1.37	d1.26	d3.93a
FY'79	d97b	d1.21	d0.32b	E 0¢	Ed2.50b

a-Incl. \$1.83 swap & extra. gains. b-Incl. 60¢ asset sale gains in 9 months.

(NON-QUAL; Sponsor Chase Bank walking)

3N-CI MTG GR: \$6.38 (CI-PH) Comment: Avg. recovery spec. after swaps restored positive equity; Sponsor bought 298T sh. or 6.3%. (Sh: 4812T, Book \$6.40) Intangibles: Loss res. \$4.51; Taxloss \$11.64. Assets: \$113M, 40% non- & 55% lowearn, 72% forecl. 53% apts., most Northeast. Financing: \$63M debt is 2.1X \$31M equity; \$55M bank debt secured, accruing at 5% to 10/82, & \$7M non-interest bearing notes.

EPS:	Jan.	Apr.	July	Oct.	Year
FY'78	d35¢	d24¢	d23¢	d.03	d0.85
FY'79	9.19a	57¢a			

a-Asset swap & taxloss gain: \$9.92 in '79.

(NON-QUAL; advised by sub. of City Investing)

2 -CI REALTY: \$29.75 (CIX-NYSE) Comment: Appeal

↑ for liquidation @ \$35/sh. or over. David J. Greene Co. group bought 49% & took control; Must change name; Play on NYC office improvement. (Sh. 2609T, Net book \$16.61 + Depr. \$5.20) Intangibles: Taxloss \$3.07. Assets: \$103M, E4% nonearn; 93% props. Mix: 46% NYC offices, 43% apts., 10% shop. ctrs. Financing: \$63½M mtg. debt is 1.5X \$43M equity. No int. rate exposure.

EPS/CFS	May	Aug.	Nov.	Feb.	Year
FY'79	d8/+8¢	d9/+12¢	1/24¢	1/34a	d4/78¢a
FY'80	9/31¢b				

a-Incl. sales gain: 11¢ '79. b-Incl. 1¢ tax-loss & 6¢ RE tax refunds.

Div: 40¢ ann. rate. (NON-QUAL. TRUST; Now NYC investor management; no adviser)

NR-CITINAT DEV: \$8.13* (OTC) Comment: Intends to dispose of assets and distribute proceeds to shareholders. (Sh: 600T, Book \$13.13)

3N-CIT & SO RL: \$2.00 (CZS-NYSE) Comment: Take-over spec. since bank agreement caps book value. (Sh: p5443T, Book \$1.59; 11,261T reserved for wts.) Ser. B wts. & new 3%/7% debent. listed on PSE; Debs. usable at par to exer. wts. @ \$2 to 3/83. Intang. on sh. out: Loss res. \$5.01; Taxloss \$23.75. Assets: \$125M, 24% non-earn. Mix: 57% invest. props; 26% mtgs.; 34% apts.; 39% GA, 26% TX. Financing: \$100M debt is 14.2X \$7.0M equity. \$76.6M bank debt accrued at 2% interest to 9/82.

EPS:	Sept.	Dec.	Mar.	June	Year
FY'78	d3¢	16¢	d20¢	d21¢	33¢b
FY'79	1.77a	d20¢a	d0¢a		

a-After \$1.90 swap gains & other credits in 1979. b-After 45¢ swap gains; Quarter figures do not add. All amts. on primary shares, which vary widely w/mkt. price.

(NON-QUAL: To change name; Effective self-adm.)

3N-CIT GROWTH: \$4.00 (CITGS-OTC) Comment: Hold; New chrm. Brent Baird owns 24.4%. Eastover owns 4.7% & now manages assets. (Sh: 811T, Bk \$7.01) Intangibles: Loss res. \$2.02; Taxloss \$7.43. Assets: \$9M, 52% nonearn, 24% forcl. Mix: Heaviest motels & land. Financing: \$1.8M debt is 0.3X \$5.7M equity. \$0.8M bank credit to 7/80 @4%. Assets pledged. Earnings: Jan. FY 19¢ incl. 7¢ tax benefits. Apr. Q 4¢. c. (FY Jan.; NON-QUAL; Advised by Eastover Cp.)

5N-CITIZENS MI: 38¢* (CZM-OTC) Comment: Avoid; in Ch. X. (Sh: 1421T, Book d\$17.17) Notes: 8½s of '80 high risk play on hope that former sponsor must pay in full; otherwise not much left if banks get full payment under Ch. X "absolute priority" rule. Noteholders' committee formed 2/28/79. Bankruptcy: Filed Ch. X 10/78 after trustee Chemical Bank called 8½% notes; 8½s were in default since 10/15/76.

EPS:	Mar.	June	Sept.	Dec.	Year
1978	d56¢	d45¢	d15¢		

No auditor's opinion '77. Intangibles: Loss res. \$14.22; Taxloss \$11.68. (NON-QUAL TRUST: Self-adm. 1/79; run by court appointed trustee)

- 1 -CLEVETRUST: \$7.00 (CTRI-OTC) Comment: Buy/hold long-term or for takeover at 35% below book; '79 EPS down unless assets sold. (Sh: 2525T, Book \$10.66 + Depr. \$2.22) Intangibles: Loss res. \$2.95; Taxloss \$3.64. Assets: \$80M, 29% non, 10% low-earn; Mix: 76% props. incl. 28% held f/sale; & being 25% apts., 26% comcl/office, 13% land. Financing: \$45M debt is 1.7X \$27M equity. \$18M bank debt to 12/31/82. \$4M at prime, \$14M at 7½%.

EPS/CFS	Dec.	Mar.	June	Sept.	Year
FY'78	d1/d3ca	73/76ca	d17/d30c	22/43ca	88/86ca
FY'79	2/7c	d1/6c	16/		

a-\$1.48 asset sales gains & 42c taxloss benefits in FY'78.
Div: Sept. 5c/Q. (NON-QUAL TRUST: Adv. by Cleveland bank sub.)
- 2N-CMT Inv. (was COLWELL): \$2.75 (CLMTS-OTC) Comment: Buy/hold for moderate LT recovery; Pfd. (\$2.75-OTC) favored, \$7.50 liquidate value. (Sh: 2030T common + 2149T pfd., Book p\$3.06 combined) Intangibles on total sh: Loss res. \$2.86; Taxloss \$8.85. Assets: \$97M, 15% non-, 13% low-earn; 28% forcl. + 26% refinanced; 34% apts., 14% motel, 20% shop. centers. Financing: \$77M debt is 6.3X combined \$12.3M equity. \$75M secured bank debt @ 8%.

EPS:	Mar.	June	Sept.	Dec.	Year
1978	d25c	6.12a	d1.12	d30c	4.45a
1979	11cb	13c			

a-Incl. \$4.64 gain on bankruptcy stlmt.
b-Incl. 11c nonrecurring income. June Q incl. land sale gain. (Adv. by LA mtg. banker)
- 1N-COMPASS INV: \$1.38 (CMPSS-OTC) Comment: Bonds & shs. spec. on benefits of control takeover by holders Joe Akerman/John Wertin, 46½% of sh. owners, on March 30, 1979. (Sh: 3145T out; Book \$3.92) Intangibles: Loss res. \$1.57; Taxloss NA. Assets: \$38M, 70% nonearn, 58% forcl. Mix: 38% apts., 31% land, most FL & GA. Financing: \$23M debt is 1.8X \$12.3M equity; 29% mtgs. & 71% converts. 8½% Bonds: Carry \$148.50 back inter. + paying current inter.; \$16.1M convt. at \$1.35, or 11,927T shs.

EPS:	Dec.	Mar.	June	Sept.	Year
FY'78	3c	d77c	55ca	2.99a	3.40a
FY'79	53cb	d4c			

a-Incl. \$2.48 asset swap gains; EPS on primary sh.; Yr. \$2.99 diluted. b-18c sale gain.
(NON-QUAL TRUST; Was Barnett-Win.; Self-adm)
- 1 -CONN GEN: \$24.75 (CGM-NYSE) Comment: Buy/hold long-term for equity buildup. (Sh: 5726T, Book \$18.57 + Depr. \$1.88) Converts: Safe yield. Intangibles: Loss res. 80c. Assets: \$336M, 2% non-, 3% low-earn; 4% foreclosed; Expanding props. & partnerships, now 46%. Mix: Heavy regional shop.ctr. \$22M partner invest. control \$130M off-balance sheet assets. Financing: \$224M debt is 2.1X \$106M equity. \$2M S/T debt; \$90M term debt mostly at 8.75%, plus \$55M mtgs; \$77M convt.

EPS/CFS:	June	Sept.	Dec.	Mar.	Year
FY'79	30/50ca	29/52ca	29/54ca	31/61c	1.19/2.1
FY'80	35/73cb				

a-Asset sale gains: 19c in '79. b-6c mtg. prepay gain. Div: June Q up 10% to \$2.00 ann. rate. (Major life ins. co. adviser)
- 3 -CONSOL CAP RL: \$28.50 (CCPLS-OTC) Comment: For speculative income, over book; '78 div. 14% cap. gains & 86% taxfree cap. return. (Sh: 1989T, Book \$15.31 + Depr. \$9.49) Assets: \$129M, 91% properties. Mix: 82% apts. w/8,644 units; 16% shop. ctrs.; 51% TX. Financing: \$97M debt is 3.2X \$30M net equity. Debt: \$95M secured mtgs., \$1.7M bank.

EPS/CFS	May	Aug.	Nov.	Year
FY'79	3/56a	d7/42	d19/31c	52/1.04a
FY'80	3/56b	2/56c		29/2.33a

a-Asset sale gains: 53c '79. b-Refinancing gain: 6c '80.
Div: Monthly 17.17c or \$2.06 ann rate.
(Managed by Oakland, Cal. realty group; Sponsors offering new Con. Cap. Income Trust shs.)
- NR-CONT ILL PR: \$22-27 (CIE-OTC) Comment: Bouverie Props., Inc., British Coal Bd. affil., bought 96% of sh. in tender at \$30/sh. & replaced four trustees; New president named. Will continue operating as REIT but NYSE delisted shares and wide spread between bid & asked in OTC market (above) indicates little trading interest. Shares to be dropped from REALTY TRUST REVIEW after this issue.
- NR-CONT ILL RLTY: \$10.63 bid only (CIR-OTC). Comment: Tender at \$11 by Wm. Lyon Co., private Calif. homebuilder, obtained 93% of sh. NYSE delisted and limited trading interest indicated in OTC for remaining shares. CIR will be dropped from REALTY TRUST REVIEW after this issue.
- 3N-CONTL MTG: 44c* (CMI-OTC) Comment: Shares & bonds high risk speculation that viable entity emerges from bankruptcy; Fed. Ct. names 2 trustees to operate & restructure. (Sh: 20838T, Bk d\$6.54) Intangibles: Loss res. \$6.26; Taxloss \$7.68. Bankruptcy: Filed Ch. XI 3/8/76 & shifted to Ch. X 5/1/79 (being appealed but settlement talks now moving. Henri J. Bourneuf & Paul Lazzaro new trustees. Assets: \$561M, 90% troubled; Sold One Biscayne, Miami, and now holds \$118.6M cash for invest. & devel. Finances: Owes \$561M over \$136M negative equity; Earnings: Audited d\$2.78 in FY'78 after \$2.40 addition to loss res.; 1979 FY results expected soon. (FY Mar.; NON-QUAL.)
- 2 -DENVER RE: \$16.75 (DENVS-OTC) Comment: Buy/hold for income; Trustees est. \$30/sh. value if mkt. strong. (Sh: 1101T, Net Book \$8.22 + Depreciation E\$8.19.) Assets: \$53M. Mix by revenues: 50% office/comcl., 22% shop. ctrs., 15% motel, 10% apts. Financing: \$43M debt is 4.7X \$9M equity. Debt: \$38M mtgs., \$4½M deb.

EPS/CFS	Mar.	June	Sept.	Dec.
1978	d5/21c	20/46c	25/51c	12/39c
1979	6/32c			

Div: Sept. Q up 25% to \$1.00 ann. rate. Sold shop. center in June Q for 32c/sh. gain. (Independent management)
- 2N-DIVERSFD MTG INC: \$5.00 (DMG-NYSE) Comment: Buy/hold as merger or recovery spec.; Some litigation tentatively settled; MEI Corp. bought 7.4% of sh. (Sh: 7326T, Book \$8.13) Intangibles: Loss res. \$3.78; Taxloss \$6.62. Assets: \$130M, 64% nonearn, 29%

forcl. Mix: 69% secondary and 7% primary homesites, 10% raw land. Financing: \$47M debt is 0.8X \$60M equity. Debt: \$45M from Cont. Ill. Bank; \$2M converts. Interest 10% and hurts EPS.

EPS:	Mar.	June	Sept.	Dec.	Year
1978	16cb	d3c	d2c	6c	0.17b
1979	d33c	d5c			

b-25c bank refinancing gain + 9c NOL.
(NON-QUAL CORP: Self-administered)

3N-DOMINION M&R: \$1.25* (DMRTS-OTC) Comment: Shs. & bonds hi-risk spec. on OK of proposed bankruptcy plan giving bondholders 71% of sh. (Sh: 639T, Bk d\$9.59) Bankruptcy: Filed Ch. XI 6/28/77. Plan approved by creditors' cmte. Intangibles: Loss res. \$2.63; Depr. \$3.51; Taxloss \$16.27. EPS: 98c in 9 mo. to Feb. (NON-QUAL TRUST; Self-administered)

1N-EASTOVER CP: \$13-14½ (EASTS-OTC) Comment: Speculation on more aggressive workout, merger deals under new mgmt. Owns 31% of Texas First, 9% of ICM & 5% Citizens Grow. (Sh: 1034T, Book \$12.70) Intangibles: Loss res. \$5.37; Taxloss \$9.26. Assets: \$22M, E63% non- & 6% low-earn; 47% forcl.; 16% REIT stocks. Mix: 54% land; Most La. & other South. Financing: \$3M debt, 79% fixed rate mtgs., is 0.2X \$13M equity.

EPS:	Mar.	June	Sept.	Dec.	Year
1978	d6c	46ca	53ca	57c	1.51a
1979	45cb	34cb			

a-Incl. 78c loss res. credit; 50c asset sales & 76c taxloss. b-Incl. 35c taxloss.
(NON-QUAL TRUST: Jackson, MS broker Leland Speed heads new mgmt. group)

3 -EQUIT LF MTG: \$20.13 (EQ-NYSE) Comment: Hold, EPS vulnerable; 1% prime=5c/sh. qtr. (Sh: 5663T, Book \$23.39) Intangibles: Loss res. 32c. Assets: \$418M, 6% nonearn; 29% long-term mtgs., 60% short-term const. & devel. loans; Expanding ST. Mix: 27% retail, 22% lodging, 14% land. \$119M or 28.4% floats with prime. Financing: \$260M debt is 2.0X \$132M equity. Debt is \$260M short-term tied to prime & incl. \$151M comcl. paper. To offer \$50M 8-yr. floating rate notes. Bank lines \$205M.

EPS:	Jan.	Apr.	July	Oct.	Year
FY'78	48c	46c	54cb	51c	1.99b
FY'79	46c	50c			El.80

b-5c sale gain.
Div.: \$2.00/yr. rate held.
(Major life company adviser)

1 -FEDERAL RLTY: \$16.50 (FRT-ASE) Comment: Buy/hold for income & growth from prop. purchases; Plans buying 6 shop. ctrs. w/1M sf from Amterre when Food Fair bankruptcy problems overcame; High operating return on property. (Sh: 1450T; Book \$9.78 + \$4.04 Depr. = \$13.82) Assets: \$38M, no nonearn; 99% props. w/cash flow: 74% shop. ctrs., 25% apts.; most Wash.DC area but diversifying. Financing: \$22.7M debt is 1.6X \$14M equity. Debt: 87% mtgs., 13% bank loans; Will borrow \$2M for Amterre deal.

EPS/CFS	Mar.	June	Sept.	Dec.	Year
1978	35/39ca	29/31c	19/25c	32/42	1.14/1.37
1979	24/31c	18/			

a-Prop. sale gain 6c.

Div.: \$1.36 ann. rate. Part of '79 payout may be tax-free capital return. (Independent mgmt.)

1N-FIDELCO GROW: \$5.63 (FGI-ASE) Comment: Buy for recovery; Phila. insur. man Sidney Baer owns 15%, but failed to gain control. (Sh: 1580T, Bk \$6.82) Intangibles: Loss res. \$6.01; Taxloss \$3.99. Assets: \$71M, 74% nonearn; 63% forcl. Mix: 35% land (improved & raw), 20% condos; 31% PA, 25% FL. Financing: \$55M debt is 5.1X \$11M equity. \$49M bank credit to 11/30/79 at 1% cash + earnings; Swapping. Suit: Class action settlement to add \$1.90/sh. to Aug. qtr.

EPS:	Feb.	May	Aug.	Nov.	Year
FY'78	76ca	19ca	1.59a	1.11a	3.65a
FY'79	40cb	1.22b			

a-Swap gains + int. forgive: \$3.70.
b-Swap gain & NOL: \$1.45.

(NON-QUAL TRUST; Became self-admin. July 24 & ended ties to Phil. bank)

2N-FIRST CAROLINA: \$8.88 (FCARS-OTC) Comment: Recovery and/or liquidation spec. Broker Brent Baird owns 13%. Seeks taxloss use. (Sh: 1510T, Book \$14.72) Intangibles: Loss res. \$1.77; Taxloss \$3.64. Assets: \$29M, 17% non- & 8% low-earn.; 17% forecl. Mix: 7% apts., 6% off., 44% medium & long mtgs.; 50% NC. Financing: \$4M bank debt 0.3X \$22M equity; \$7M bank lines w/two banks at ½% over prime.

EPS:	Mar.	June	Sept.	Dec.	Year
1978	8c	4c	12ca	9ca	33ca
1979	15ca	13cb			

a-Incl. tax benefit: 17c '78; 7½c '79. b-Incl. 3c asset sale gain. (NON-QUAL TRUST; Became self-admin. 6/30/79; was NW Finc'l)

2 -FIRST CONT'L: \$8.88 (FCRES-OTC) Comment: Hold for spec. income & increase in 10½% return on book. (Sh: 2106T, Book \$10.48) Intangibles: Loss res. 35c. Assets: \$44M, 6% nonearn, 4% foreclosed. Mix: 66% constr. loans, 25% devel., 9% land loans; 85% TX. Financing: \$28M debt (all bank) is 1.2X \$22M equity. Borrows under \$33½M bank lines at ½% over prime plus compens. balances; 1% prime=½c/sh.Q. Must pledge assets equal to debt if demanded.

EPS:	May	Aug.	Nov.	Feb.	Year
FY'79	25c	26c	27c	31c	1.09
FY'80	36c				

Div: May Q 28c + 7c extra; \$1.12 ann. rate.
(Advised by Houston mortgage banker)

2N-FIRST DENVER MI: \$4.00 (FDENS-OTC) Comment: Recovery spec. at 46% below book. Ended talks w/Van Schaack & Company. (Sh: 1621T, Book \$7.42) Intangibles: Loss res. \$2.43; Taxloss \$9.25. Assets: \$47M, 38% nonearn; 27% forecl. Mix: 21% land, 14% condo-secondary home, 8% condo-primary, 19% motels. Most Colorado. Financing: \$31M (all bank) is 2.6X \$12M equity. Bank debt to 5/81 at 6½%; Assets pledged.

EPS:	Dec.	Mar.	June	Sept.	Year
FY'78	2.56a	16ca	d27ca	71ca	3.15a
FY'79	d10c	54ca	7ca		

a-Asset swap & taxloss gains: \$2.73 '78; 30c '79.

(NON-QUAL TRUST; Adv. by Denver bank sub.)

2N-FIRST MEMPHIS: \$5.75 (FMEMS-OTC) Comment: Less attractive spec. at 21% below book value; Morgens-Waterfall bought 6.2% sh. (Sh: 1156T,

Book \$7.32) Intangibles: Loss res. \$3.88; Taxloss \$6.02. Assets: \$21M, 54% non-, 7% low-earn; 52% forcl. Mix(11/78): 35% land, 28% offices; 38% Tenn. Financing: \$10.7M debt is 1.3X \$8½M equity. Swapped assets to retire nearly all ST bank debt in Feb.'79 Q; Now owes only \$7M secured bank term to sponsor, plus \$3.7M mtg. debt.

EPS:	Feb.	May	Aug.	Nov.	Year
FY'78	70¢a	18¢ab	55¢ab	1.04a	2.47ab
FY'79	1.14a				

a-Swap gain: \$1.38 FY'78; 49¢ '79.

b-Prop. sale gains: \$1.79 in '78.

Sold large land tract in May '79.

(NON-QUAL TRUST: Adv. by Memphis bank)

2N-FIRST MTG: \$1.75 (FMTGS-OTC) Comment: Spec. w/some potential dilution. Will issue 1M wts. to buy sh. @ 59¢ to 12/86 to settle lawsuit. (Sh: 8495T com., Book d\$5.71 net after pfd. at par). Pfd \$100 par: 140T Ser. A convt. @ \$7; 450T Ser.B convt. @ \$10, most held by lenders. Intang: Loss res. \$1.65; Taxloss \$10.93. Assets: \$246M, 9% non-, 53% low-earn; 54% forcl. Mix: 35% lodgings, 27% apts. Finances: \$225M debt over \$59M liquidating value pfd. & \$49M neg. common; \$107M bank credit @ 2%; Sold 12 props. for \$16M gain & repaid \$85M in July; Must repay another \$65M by 7/80. In return banks would forgive \$48M principal & convert Ser. A pfd. into 1933T com. sh. & get 2335 wts. exer. @ \$1 plus 50% of hotel/land sale gains next 5 yrs. Talks for backup financing ended. Earnings: Apr. qtr. 7¢ after 3¢ extra gains. (FY Jan.; NON-QUAL TRUST; Independent mgmt.)

#2N-FIRST NEWPORT: \$3.25 (FNRIS-OTC) Comment: Long recovery, making progress. Seeks acquisitions. (Sh: 2339T, Book \$3.51) Convts: Hold. Intangibles: Loss res \$9.13; Taxloss \$25.22 (abt half conditional). Assets: \$92M, 38% non-, 7% low-earn; 46% forcl. Mix: 30% condos, 21% lodgings. Financing: \$65M debt is 7.9X \$8M equity. \$54M bank credit repayable by 10/82 at 5% interest in FY'79.

EPS:	Jan.	Apr.	July	Oct.	Year
FY'78	d38¢	d43¢	14¢	d36¢	d1.03
FY'79	34¢a	10¢a			

a-Incl. 80¢ sale gain & 22¢ taxloss.

(Converting to NON-QUAL CORP: Independent)

3N-FIRST PENN MI: \$2.38 (FPM-NYSE) Comment: Trading spec.; Asset swap gains offset by high interest. (Sh: 2961T, Book \$1.34) Intangibles: Loss res. \$6.75; Taxloss \$9.94. Assets: \$98M, 75% nonearn, 65% foreclosed. Mix: 17% condo; 18% land; 41% comcl/indus. Financing: \$72M debt is 18.1X \$4M equity. \$58M bank debt to 11/79 accruing at prime w/ interest forgiveness; New swaps being nego.

EPS:	Oct.	Jan.	Apr.	July	Year
FY'78	d1.44	d2¢a	d64¢a	24¢	d2.08a
FY'79	1.17b	d87¢b	d30¢		

a-Incl. asset swap gains \$1.43

b-Incl. asset swap gains \$2.39 to date.

(NON-QUAL TRUST; Advised by sub. of First Penn. Bank, Philadelphia)

1 -FIRST UNION: \$15.75 (FUR-NYSE) Comment: Shs. & bonds: Buy for quality income; Buying new

off. & shop. ctrs. (Sh: 4464T com., Net Book \$8.63 + Depr. \$8.17=\$16.80) Assets: \$201M, 96% prop; 2% mtg. Prop: 54% offices, 37% shop. ctr. Financing: \$155M debt is 3.2X \$48½M total net equity (\$10M pfd., \$38½M common). Debt is: 76% secured mtgs., 17% short-term. Calling 7% convts. & plans offering \$40M new converts. EPS/CFS Mar. June Sept. Dec. Year
FY'78 21/29¢a 23/30¢a 45/52¢a 21/31 \$1.10/1.42*
1979 20/48¢b 27/32¢

a-Prop. sale gains:30¢; b-10¢ litigation gain

* Oct. yr; changing to Dec. year.

Div: \$1.08 ann. rate.

(Independent Cleveland mgmt.)

3N-FIRST VIRGINIA: \$3.00* (FVM-OTC) Comment: Shs. & Bonds: Hold for modest recovery. (Sh: 1208T; Book \$7.44) Intangibles: Loss res. \$7.01; Taxloss \$10.51. Assets: \$57½M, 34% non, 1% low-earn; 32% foreclosed. Mix: 28% land; 37% Va., 34% Fla. Financing: \$42M debt is 4.7X \$9.0M equity. Agrees to swap assets to retire \$22M bank credit to 12/79 accruing at 4%. \$20M sub. debt due 11/1/80.

EPS:	Sept.	Dec.	Mar.	June	Year
FY'78	6¢	2.85a	22¢	41¢	3.54a
FY'79	47¢b	26¢b	29¢b		

a-Incl. \$1.52 taxloss + \$2.90 fidelity bond

b-23¢ asset sales & 52¢ taxloss to date.

(NON-QUAL TR; Independent mgmt. tied to bank)

3N-FIRST WISC MTG: \$6.50 (FWMTS-OTC) Comment: For long recovery, some dilution. Lowell McNeill owns 6.1% of sh. (Sh: 1988T, Book \$5.41) Intangibles: Loss res. \$6.95; Taxloss \$19.24. Assets: \$91M, 28% non-, 54% low-earning; 55% forecl. Mix: 48% apts., 29% land, 25% Mid-west. Financing: \$67M debt is 6.2X \$11M equity. \$49M bank debt at 1% or net income to 6/80; Banks provided \$14M secured standing loans on props.

EPS:	Mar.	June	Sept.	Dec.	Year
1978	0¢	0¢	d20¢	4¢	d16¢a
1979	0¢				

a-Incl. 71¢ gain on sale.

(NON-QUAL TR: Adv. by Milwaukee bank sub.)

2 -FLATLEY: \$5.50 Unit (FLTLS-OTC) Comment: Buy for recovery. (Sh: 1000T, Net Bk \$7.07 + Depr. \$2.48=\$9.55) Intangibles: Taxloss 27¢. Assets: \$24M, Mix: 40% apts, 52% shop. ctrs.; 92% Mass. Bought 115T sf N.H. shop. ctr. 9/78. 94% prop., 6% loans. Financing: \$18M debt is 2.5X \$7M equity; 82% mtgs.

EPS/CFS	Sept.	Dec.	Mar.	June	Year
FY'78	3/8¢	11/16¢a	d3/2¢	12/17¢	23/43¢a
FY'79	10/15¢	10/16¢	4/10¢		E40¢/

a-Incl. 8¢ sale gains.

Div: Resumed w/20¢ from FY'78. (Self-Adm.)

1 -FLA GULF: \$14.25 (FGLFS-OTC) Comment: Buy for yield & benefits of renting vacated stores; EPS flat near term. (Sh: 997T, Net Book \$14.11 + Depr. \$6.08 = \$20.19. Assets: \$32M. Mix: Over 93% strip shop. ctrs. w/2.0M sf; 92% FL. Neisner Bros. & Food Fair disaffirmed leases for abt. 166T sf or abt. 8% of space; Some re-leased. Financing: \$18M debt is 1.3X \$14M equity; \$18M mtgs. on prop.

EPS/CFS	July	Oct.	Jan.	Apr.	Year
FY'78	15/34¢	17/36¢	20/38¢	14/33¢	66¢/1.39
FY'79	20/37¢a	16/35¢	16/35¢	17/35¢	69¢/1.43a

a- Incl. 2¢ prop. sale gain.

Div: 32¢/Q, 36% tax-free capital return.
(Adv. by sub. of Loeb Rhoads)

2N-FRANKLIN: \$9.13 (FR-ASE) Comment: Hold for earnings improvement, expanding real estate services. (Sh: 999T, Book \$8.19) Converts: Hold. Intangibles: Depr. \$11.79; Taxloss \$1.74. Assets: \$30M. Mix: 82% prop. owned, 18% joint vent. Prop. incl. JV: 11 offices midwest & FL, 11 apts., 2 motels, 1 strip shop.ctr, 1 leased land tract. Vacancies falling. Financing: \$23M debt is 2.8X \$8M equity. Debt is: 73% secured, 5% short, 22% convt.

EPS:	Sept.	Dec.	Mar.	June	Year
FY'78	1¢	24¢	14¢	9¢	48¢
FY'79	1¢	20¢	5¢		

a-Incl. 20¢ sale gains & 19¢ taxloss in '78 and 3¢ & 10¢ respectively in '79.

(NON-QUAL: Mgmt. by independ. Phil. rlty gp)

3 -FRASER: \$11.75 (FRASS-OTC) Comment: EPS vulnerable but hold for recovery; Block of 16% held by broker Jeff Schultz. (Sh: 1038T, Book \$16.61) Intangibles: Loss Res. 56¢. Assets: \$48M, 7% nonearn; 6% forecl. Mix: 37% LT; 31% Ohio, 25% FL. Making new investmnts. Financing: \$35M debt is 2.0X \$17M equity. \$26M bank; \$9M fixed rate. 1% prime= 4¢/sh. qtr.

EPS:	Aug.	Nov.	Feb.	May	Year
FY'78	25¢	25¢	26¢	50¢	1.26a
FY'79	27¢	27¢	27¢		El.10

a-Incl. sale gain: 43¢ '78; 9¢ '79.

Div: 28¢, paying sale gains; \$1.12 ann. rate.
(Adv. by Cleveland mtg. banker)

3 -GEN GROWTH: \$40.13 (GGP-NYSE) Comment: Hold or arbitrage on poss. final \$45+ breakup; Go-private plans abandoned; instead to sell some shop. ctrs. for \$15/sh. gain, finish others in constr., take another look in 2-3 yrs. (Sh. 6202T, Book \$6.28+ Depr. \$4.82=\$11.10). Assets: \$385M, no problems; high quality. Mix: 78% shop. ctrs. (major Midwestern malls), 13% apts. Financing: \$346M debt is 8.9X \$39M equity. Debt is 89% secured mtgs. & \$25M 9-1/8% secured notes to 4/97. Earnings: Mar. Q EPS 28¢ after 1¢ gain & CFS 41¢ after 1¢ gain. Div: \$1.56/yr., about 60% taxfree. (FY Sept.)

1N-GMR PROP: \$3.25 (GMR-NYSE) Comment: Recovery spec.; Discussing merger w/private Hol-inee Cp. (Sh: 2956T, Book \$2.40) Bonds: Hold 7.7% debts. maturing 2/1/80 and new 8½% debts. (\$15.3M out) due Dec. 1987. Intangibles: Loss res. \$4.30. Taxloss \$9.22. Assets: \$53M, 30% non-& 19% low-earn; 45% forcl., 38% LT mtgs. Mix: 24½% land; 79% Southeast. Financing: \$40M debt is 5.7X net \$7M equity; \$21M bank term debt to 7/17/83 accruing at 6.75% to 7/80, higher after. EPS: May Aug. Nov. Feb. Year
FY'79 d12¢ d0¢ d14¢ d20¢ d47¢
FY'80 d3¢

a-42¢ asset swap gain & 33¢ tender expen.
b-1¢ debt repurchase gain.

(NON-QUAL TRUST, Adv. by life insur. co.)

2 -GOULD INV: \$14.13 (GTR-ASE) Comment: Spec. income. (Sh: 1170T (Mgmt. owns 39%), Book \$7.44+ \$10.82 Depr.=\$18.26) Intang: Loss Res. 31¢. Assets: \$38M, 2% nonearn; 88% prop. owned. Mix: 19% NYC office, 6 apts, 15 strip ctrs. Financing: \$30M debt is 3.4X \$9M equity. 94% secured mtgs.

EPS/CFS	Dec.	Mar.	June	Sept.	Year
FY'78	37/47a	15/26	18/30	33/33	1.03/1.36a
FY'79	50/56a	29/34			

a-Incl. prop. sale gains: 18¢ in FY'78, 22¢ in FY'79.

Div: 22¢ Q; 88¢ ann. rate.
(Managed by NY realty family)

2 -GREIT: \$10.75 (GRT-ASE) Comment: Hold for new mgmt., poss. sale of Miami ctr. & re-leasing vacant Dayton office. Shares 6% below net book. Unicorp Fin. (Can.) owns 20% sh. & Geo. Mann joined bd. (Sh: 998T, Bk \$11.39) Intangibles: Depr. \$15.10; Loss res. 8¢. Assets: \$33M, several vacancies. Mix: 55% shop ctrs., 34% offices & urban stores, 3% mtgs. Financing: \$22M debt (all mtgs.) is 2.0X \$11.4M equity. EPS: Jan. Apr. July Oct. Year
FY'78 14¢ 10¢ 14¢ 12¢ 50¢
FY'79 17¢ 9¢

a-Incl. 1¢ sale gain '79.

Div: 10¢ Q, 40¢ ann. (Independent Phil. mgt)

1N-GRT AMER M&I: \$3.50* (GAA-OTC) Comment: Sophisticated high-leverage play on Sunbelt realty after Ch. XI plan effectuated Apr. 6. All data pro forma: (Sh: 7372T after 1-for-4 reverse split; Book \$6.31 after \$10.18 debt discount). Intangibles: Loss res. \$4.63; Taxloss \$9.63. Assets: Est. \$251M assets at mkt. value incl. 40% core props. retained; 45% props. for sale; 15% mtgs. Financing: \$210M face amt. of debt incl. \$185M bank debt @ 3% to 8/87; \$15M 3% sr. subor. debts. due 8/90; & \$10.3M of 1.1-3% jr. sub. debts. due 8/91. Debt is discounted by \$75M to produce \$46½M pro forma net worth. Earnings: EPS loss expected at first as debt discount worked off; positive cash flow seen. (FY July; self-admin.; NON-QUAL CORP.)

2N-GROWTH RL COS: \$5.75 (GRW-NYSE) Comment: Improved spec.; Pfd. stock auth. for acquisitions & plans nat'l rlty. & mtg. brokerage; Claims \$5.35/sh. unrealized appreciation. (Sh: 2059T, Book \$6.81) Bonds: Risky yld. Intangibles: Loss Res. \$3.42; Taxloss \$10.93. Assets: \$98M, 15% non-& 25% lowearn; 45% forcl. Mix: 41% apts., 21% shop. ctrs; 42% TX. Financing: \$77M debt is 5.5X \$14M net equity; \$51M bank debt to 12/81 w/int. accrued to 9% max.; Two major lawsuits settled. EPS: Sept. Dec. Mar. June Year
FY'78 d65¢ 3.77a d22¢ 1.15a 4.03a
FY'79 d39¢ d25¢ d62¢

a-\$4.01 interest forgiven in FY'78.
(NON-QUAL. CORP.; Self-adm.)

3N-GUARDIAN: \$1.38 (GMI-PHSE) Comment: Spec. on Ch. XI reorgan.; Began seeking creditor OK 8/79. (Sh: 3000T, Book d\$12/59 now; Pro forma 19,010T, Book d36¢). Intangibles: Loss res. \$7.63 now, \$1.20 pro forma. Taxloss \$5.68 pro forma. Proposal: Repay \$204M bank debt w/o interest thru 1990 + sh. for 42% of equity; Subor. debt: 7½s, \$260 cash + 254 sh; 6.75s & 8s, \$210 cash + 188 sh. (giving sub. debt 42% & current shs. 16% of equity). One bondholder group opposes; Ct. ruled plan feasible. Assets: \$181M, 60% non-& lowearn; 39% forcl. Mix: 34% land owned & in develop, 38% long-term mtgs. Financing: \$238M debt over \$38M neg. equity. Debt: \$204M bank, \$34M debentures. Earnings: Feb. FY \$2.04 after 98¢ tax benefits; May Q 74¢ after 35¢ tax benefits. (FY Feb.; NON-QUAL; To become corp. in one yr.)

2N-HAMILTON: \$4.13 (HAMTS-OTC) Comment: Recovery spec. at 24% below book (Sh: 2178T, Book \$5.47) Intangibles: Loss res. \$5.97; Taxloss \$3.26. Assets: \$65M, 26% non- & 51% low-earn; 24% forcl. Mix: 49% apts., 15% office, 15% office, 36% OK, 19% FL. Financing: \$43M debt is 3.5X \$11.9M equity; \$38M bank credit to 6/81 at prime or 10%; pay 2% cash.

EPS:	Mar.	June	Sept.	Dec.	Year
1978	d8c	d8c	40cb	d14c	10cb
1979	29ca	d13c			

a-28c sale gain & 29c int. recovered '79.

b-Swap gains 82c & 11c sale gain in '78.
(NON-QUAL TRUST: Self-adm.)

2N-HANOVER SQ: \$8.00 (HSQ-ASE) Comment: Buy/hold; Will repay bank debt soonest, entertain other offers. Major holders: W.R. Grace 13%; Brent Baird 10%. (Sh: 946T, Book \$11.20) Converts: Spec. income buy. Intangibles: Loss res. \$1.24; Depr. 10c; Taxloss \$6.03 as of 8/77. Assets: \$28M, 8% non- & 15% low-earn; 15% forcl. Mix: 64% resid., 15% shop. ctrs.; to sell mtgs. & repay banks. Financing: \$16M debt is 1.5X \$10.6M equity; \$13.6M bank credit at 124% prime to 10/3/79.

EPS:	Nov.	Feb.	May	Aug.	Year
FY'78	31ca	d2cb	12cab	5c	46cab
FY'79	d3c	d7c	d3c		

a-Incl. 38c asset sale gains, w/37c in

Nov.'77. b-Incl. 33c gain debent. repur.
(Adv. by W.R. Grace sub., now being sold.)

4N-HEITMAN MTG: \$2.63 (HTM-ASE) Comment: Sell or hold for LT recovery. (Sh: 3292T, Bk \$1.60) Converts: Higher risk hold. Intangibles: Loss res. \$4.42; Taxloss \$4.50. Assets: \$99M, 41% non- & 21% low-earn; 13% forcl. Mix: 34% shop. ctrs., 14% hotels, 21% offices, 16% land; 26% Ill, 18% CA, 19% other West. Financing: \$81M debt is 15.3X \$5.3M equity; \$44M bank debt extended at prime; \$20M subor. to 6/79 at 1/4% over prime; renego. both. Rates pinch EPS.

EPS:	Mar.	June	Sept.	Dec.	Year
1978	1c	d28c	d27c	d36c	d91ca
1979	d5cba				

a-Incl. sale gains: 5c '78; 4c '79. b-8c swap gain. (Advised by Chicago mtg. group)

1 -HOSPITAL MTG: \$11.63 (HMG-ASE) Comment: Buy; Lower bank debt limits inter. risk. Some recovery at 53% below book. (Sh: 1178T, (Transco Realty owns 19% of shares), Book \$22.42+ 70c Depr.=23.12) Intang: Loss res. 15c. Assets: \$36M, 38% nonearn; 2% forcl. Mix: 36% medical, 24% land, 25% apts; 2/3 FL. Swapped 2 partic. for 133 ac. Houston & may jt. vent. Financing: \$11M debt is 0.4X \$26M equity; Paid banks down to \$5M term loan at 1-1/4% over prime.

EPS/CFS	May	Aug.	Nov.	Feb.	Year
FY'79	10/16	7/15	10/18	7/15	35/64c
FY'80	40/a				

a-34c asset sale gain. Div: 60c ann. rate.
(Adv. by Miami hosp. mgmt. co.)

1 -HOTEL INV: \$19.75 (HOT-ASE) Comment: Sh. & Bonds: Buy; Operating income up & no energy impact on earnings apparent. (Shares: 1679T, Book \$17.29+ Depr. \$2.32=\$19614) Intang: Loss res. 19c. Assets: \$77M, 4% nonearn & forcl. + 6% lowearn; 50% prop., 39% LT mtgs. All hotel/motel, most nat'l franch.; 2 Tuscon under sale

option. Financing: \$51M debt 1.7X \$29M equity; Debt is \$14M secured mtgs., \$15M secured @ 9 3/4% for 15 yrs., \$14M converts., \$6M bank at prime. Dallas Marriott boosting EPS.

EPS/CFS	Nov.	Feb.	May	Aug.	Year
FY'78	40/53	34/50	37/50	29/43	1.40/1.96
FY'79	43/58	45/59	66/79		

Div: \$2.00/yr. rate (Self-adm.)

2 -HUBBARD: \$18.38 (HRE-NYSE) Comment: Buy/hold; Chrysler's financial ills raise risk. (Sh: 4004T, Book \$24.86) Intangibles: Loss res. 25c; Depr. 42c. Assets: \$93M, 0% nonearn. All Grant vacancies re-leased. Most property net leased to major lessees: 20% Safeway (retail), 17% Ashland Oil, 17% Chrysler (both indust.). Financing: \$2M mtg. debt is 0.03X \$99M equity.

EPS:	Jan.	Apr.	July	Oct.	Year
FY'78r	43c	45c	47c	47c	1.82
FY'79	43c	45c			

r-Restated for direct financing lease acctg. Div: 41c for Apr. Qtr., up 3%. (Advised by Merrill Lynch sub.)

2 -ICM RLTY: \$10.75 (ICM-ASE) Comment: Hold LT recovery; To cut debt & lower EPS vulnerability. Eastover Corp. owns 9% & L. Speed appointed trustee. (Sh: 3011T, Book \$15.14) Intangibles: Loss res. \$2.13; Depr. 9c. Assets: \$68M, 39% non- & lowearn; 17% forcl. Mix: 35% apts., 6% shop. ctrs., 8% land; 47% land/leasebacks. Financing: \$16M debt is 0.4X \$46M equity; Debt is 33% secured mtgs., \$11M bank debt under new 3-yr. to 2/82 at either 120% prime or 1 1/2% over prime. 1% prime=1c/sh. Q.

EPS:	Feb.	May	Aug.	Nov.	Year
FY'78	15cb	28cb	24c	13c	80cb
FY'79	17c	22c			

b-Incl. 16c prop. sales.

Div: Paying annually from taxable income.
Paid 50.3c in 2/79 from FY'78 income.
(Advised by NYC realty group)

2N-IDS RLTY: \$3.50* (IDR-OTC) Comment: Merger/acqui. spec. Boothe Finc'l. Cp. offers to buy for \$20M cash & stock equaling \$4.25/sh. diluted book @ 7/31/79. (Sh: 2409T, Book \$6.14) Bonds: Hold. Intangibles: Loss res. \$5.40; Taxloss \$14.52 at 1/79. Assets: \$108M, 38% nonearn; 39% forcl.; 23% land, 46% LT loans. Financing: \$86M subor. debt 5.8X \$15M equity. Earnings: Apr. Q \$1.81 after \$1.23 extra. gains & 71c loss reserve credit.
(FY Jan.; NON-QUAL TRUST, To become Corp.)

4N-INDEPEND MTG: \$3.00* (IMTGS-OTC) Comment: Spec. on completing swaps to repay all bank debt, leaving 3 assets. (Sh: 2500T, Book \$3.87) Intang: Loss Res. \$9.72; Taxloss \$18.40. Assets: \$104M, 86% non- & low-earn; 72% forcl. Mix: 23% condos, 26% devel; 16% FL. Financing: \$87M debt over \$9M negative equity; Debt is \$68M bank term to 9/1/79, \$10M sub.; \$9M mtgs. Seeks shareholder OK to swap assets for all bank debt. Earnings: Mar. Q 5c after 3c taxloss credit. (FY June; NON-QUAL TRUST; Advised by Phil. bank)

1N-INDIANA FIN INV: \$5.88 (INDMS-OTC) Comment: Hold for more EPS improvement as debt repaid. (Sh: 1154T, Book \$9.20) Intangibles: Depr.

Loss res. \$2.22; Taxloss \$6.50. Assets: \$37M, 37% non-& lowearn; 19% forcl. Mtgs. 63% (most land & comcl.) Prop. 16%. Sold apts. & offices in Mar. Q. Financing: \$24M debt is 2.3X \$11M equity; \$24M bank credit to 10/79: \$18M at 8½% & \$6M at 8% min., 10% max. Expects to repay bank debt next 2-4 qtrs. to end contingent int.

EPS:	Sept.	Dec.	Mar.	June	Year
FY'78	+0c	d2c	1c	37c	36c
FY'79	9c	d9c	41c		

a-Loss res. credits: 72c FY'78; 12c FY'79.

b-Sale gain: 62c FY'79.

(Advised by Indiana bank; Became Corp. 6/79)

2N-INSTITUTIONAL INV: \$1.63 (INV-NYSE) Comment: Hold; Faces liquidity pressure. (Sh: 6798T, Bk \$1.44) Bonds: Must repay \$4.4M of old 7 7/8s maturing 2/1/80; are hi risk. \$15.2M of new 8½% 1st Priority sub. notes due '87. Intangibles: Loss res. \$1.22; Depr. 17c; Taxloss \$6.15. Assets: \$76M, 88% nonearn; 65% forcl. Mix: 14% apts., 45% land; 20% FL. Finances: \$57M debt is 5.8X \$10M equity; \$28½M bank credit to 1/82.

EPS:	Apr.	July	Oct.	Jan.	Year
FY'79	d35c	33c	d10c	d0.83	d0.95
FY'80	d31c				

a-4c sales gain. b-39c gain on debt extinguishment. (NON-QUAL TRUST; Self-admin.)

2 -IRT PROP. CO: \$9.25 (IRT-ASE) Comment: Interesting long-term holding for merger benefits. Exchanged 850,532 sh. for Summit Props. & became IRT Prop. Co.; all data pro forma. (Sh: 2330T, Book \$9.98+Depr. \$1.99) Intang: Loss Res. 34c. Assets: \$70M, 2% nonearn. Mix: 18% mtgs., 81% props., most shop. ctrs. & apts. Financing: \$46M debt is 2.9X \$23M equity; Debt is 88% mtgs. Earnings for Investors RL:

EPS/CFS	Feb.	May	Aug.	Nov.	Year
FY'78	8/19	30/37	12/19	16/22a	65/97c
FY'79	18/25	20/26			

a-Prop. sales gain 9c in '78.

Div: Paying 60c/yr. plus 12c special 6/79.

(QUAL. REIT corp.; Independent & self-admin.)

2 -JMB RLTY: \$19.50 (JMBRS-OTC) Comment: Buy/hold for spec. yield. (Sh: 510T, Book \$19.71) Intangibles: Depr. \$1.60. Assets: \$31M, no nonearn. Mix: 49% apts., 17% offices, 17% shop ctrs.; 69% wraparound mtgs., 10% land leasebacks. Financing: \$21M debt is 2.1X \$10M equity; \$20M mtgs., \$1M bank debt.

EPS:	Nov.	Feb.	May	Aug.	Year
FY'78	46c	46c	77c	61c	2.30a
FY'79	47c	51c	54c		

a-Incl. 13c prop. sale gain.

Div: \$2.00/yr. rate. (Adv. by Chicago rly gp)

2N-KENTUCKY PROP: \$3.00 (KMTGS-OTC) Comment: Sales may boost book val.; broker Brent Baird controls 19½% shs. (Sh: 1100T, Book \$3.01) Intang: Loss Res. \$1.45; Taxloss \$7.39. Assets: \$12½M, 86% non&lowearn; 84% forcl. Mix: 45% apts., 39% land & devel.; 41% Kentucky. Financing: \$8M debt is 2.4X \$3.3M equity; \$8M secured bank debt to 5/80 at 8%, 4% cash, rest deferred. Selling some apts. to repay.

EPS:	Feb.	May	Aug.	Nov.	Year
FY'78	d6c	1.05a	d6c	37c	1.30a
FY'79	3c				

a-98c asset swap gain.

(NON-QUAL TRUST: Self-admin.)

5N-LIFETIME COM: \$1.00 (LFTMS-OTC) Comment: High risk. (Sh: 6632T, Book \$2.94) Intangibles: Loss res. \$7.32; Taxloss \$10.43. Assets: \$133M, 74% non&lowearn; 59% forcl. Settlement: Co. working off assets under 1/78 Ch. XI plan to repay banks by 1983. Banks got 47% of stock in plan. Financing: \$70M debt is 3.6X \$20M equity. Bank debt \$66½M without interest. Earnings: Apr. Q 8c after 4c tax benefit & 2c gain. (FY Oct.; Corporation)

2N-LINCOLN: \$2.75 (LNMGS-OTC) Comment: Shs. & Bonds: Spec. that new mgmt. can rebuild book value via development. (Sh: 1155T, Book p\$0.82) Intangibles: Loss res. \$2.31; Depr. NA; Taxloss \$3.56. Assets: \$12M, E61% non-& low-earn & foreclosed. Mix: 70% apts. Financing: \$12M debt is 8.6X \$1.4M equity. Earnings: Mar. FY 23c after 10c sale gain & taxloss. (FY Mar.; NON-QUAL TRUST: Self-admin.; Five large holders elected trustees in Oct. '78 + replaced old mgmt.)

2 -LOMAS & NET MTG: \$19.75 (LOM-NYSE) Comment: Buy/hold, shares depressed 27% below book by rate fear but exposure to 1% prime chng.= 2c/sh. qtr. (Sh: 3700T, Book \$27.86) Intangibles: Loss Res. \$2.37. Assets: \$301M, 13% nonearn; 16% forcl. Making new loans. Mix: 51% const. loans, 21% land acq. & devel.; most Texas. Financing: \$199M debt is 1.9X 103M equity; Debt is \$120M comcl. paper, \$30M ST bank loan, \$50M long-term. All debt floats.

EPS:	Sept.	Dec.	Mar.	June	Year
FY'78	40c	42c	43c	45c	1.70
FY'79	48c	49c	51c	55c	2.03

Div: June 55c qtr.; 36% cap. ret. in '78.

(Advised by largest U.S. mtg. banker)

2 -M&T MTG: \$13.00 (MTMIS-OTC) Comment: Buy for stable yield, good relative value. (Sh: 1482T, Book \$10.53) Intangibles: Loss Res. 91c. Assets: \$58M, 0.4% nonearn; 0.1% forcl. All mtgs. in TX, most 1-family constr. & devel.; \$19M unfunded commitments at 5/79. Financing: \$41M debt is 2.6X \$16M equity; All bank debt secured; sponsor provides compensating balances; \$43M bank lines.

EPS	Nov.	Feb.	May	Aug.	Year
FY'78	28c	26c	28c	31c	1.13
FY'79	32c	44c	45c		

Div: Increased to \$1.40/yr. rate in March.

(Advised by Houston Mtg. Banker)

1N-MARYLAND RL: \$4.50 (MDRTS-OTC) Comment: Recovery spec.; Plans to become equity trust; Federated Reinsur., sub. of Federated Devel., owns 22.4% (Sh: 760T, Book \$8.43) Intang: Loss res. \$2.60; Taxloss \$4.73. Assets: \$18M, 30% non& 8% lowearn; 39% forecl. Mix: Most GA & FL; 35% apts., 31% land. Financing: \$9.9M bank debt is 1.5X \$6.5M equity. Assets pledged. Earnings: May Q d7c. (FY Nov.; NON-QUAL TRUST; Self-admin.)

1 -MASSMUT M&R: \$12.25 (MML-NYSE) Comment: Buy/hold at 35% below book. Div. appears safe near term & low interest exposure. (Sh: 4670T, Bk \$19.75) Converts: Safe yield. Intangibles: Loss res. 15c. Assets: \$185M, 4% non-& 4% low-earn; ½% forcl. Mix: 37% shop. ctr. & retail, 29% apts.; 79% LT mtgs. Making new loans. Financing: \$92M debt is 1.0X \$92M equity.

Small int. rate exposure. \$67M converts.

EPS:	Jan.	Apr.	July	Oct.	Year
FY'78	36c	38c	37c	36c	1.47a
FY'79	36ca	39ca			

a-Incl. deben. repurchase gains: 11c '78;
8c '79 + 3c prior interest '79.

Div: \$1.36/yr. rate. (Major life co. adv.)

3N-METROPLEX: 56c* (JMI-OTC) Comment: Shares

now spec. on poss. merger as Ch. XI plan OK gives bondholders 90% of shs. (not issued yet). (Shs. pro forma for plan OK & 1-for-5 reverse split: 2368T, Book \$4.65). Loss res. \$2.25. Taxloss E\$8.79. Assets: \$18½M, 93% nonearn; 64% forecl. Most land & lots. Financing: Plan OK converted \$9.6M subor. debt into stock. \$1.8M remaining debt is 0.2X \$10.4M pro forma equity. Debt is \$1.3M mtg. & \$0.5M bank. Earnings: Mar. Q d18c on old sh. (FY Sept.; NON-QUAL TRUST)

#2N-MIDLAND MTG: \$3.63 (MMT-NYSE) Comment:

Speculation on merger or acquisition. Okla. broker P. Hoffman holds 17% of shs. (Sh: 2382T, Book p16c) Bonds: \$14.6M of 8% debts. due 3/1/80 & seeking ways to pay. Intangibles: Loss Res. \$2.02; Taxloss \$9.26. Assets: \$23M, 67% non-& lowearn; 45% forecl. Mix: 24% motel, 19% condo, 46% land. Financing: \$19M debt is 48X \$0.4 net equity. Debt: 23% converts; 77% subor. debens.

EPS:	Sept.	Dec.	Mar.	June	Year
FY'78	d4c	d9c	d18c	18c	d14ca
FY'79	5c	6cb	d16cb		

a-Incl. \$2.98 asset swap gains. b-16c debt repurch. & 23c sale gain.

(NON-QUAL TRUST: Became Self-admin. 3/79)

2- MILLER(HEN.S): \$15.50 (HSTMS-OTC) Comment:

Buy for LT gains; Jackson group owns 11%. (Sh: 560T, Book \$18.68) Intang: Loss Res. \$1.13; Depr. \$3.37. Assets: \$22M, 7% non-earn & foreclosed. Mix: 60% shop. ctrs. owned, 18½% land; mostly Texas. Sold 2 offices, Kansas shop. ctr. & Tx. warehouse. Financing: \$14M debt is 1.3X \$10.5M equity. \$3M bank borrowings at ½% over prime; \$11.3M mtgs. on prop.

EPS:	May	Aug.	Nov.	Feb.	Year
FY'79	30c	2.34a	29c	31c	\$3.25a
FY'80	43cb				

a-Incl. \$2.13 prop. sale & insur. gains. b-7c insur. gain. Div: \$1.20/yr. rate; (Dallas realty group adviser)

3N-MISSION: \$6.88 (MIT-ASE) Comment: Pending

lawsuit settlement on prime high-rise apt. may help EPS; Plans equity investmnts. Intermark, Inc. holds 9.8%. (Shs: 1812T, Bk \$4.96) Intang: Loss res. \$1.64; Taxloss \$5.75. Assets: \$19M, 28% non-earn; 31% low-earn; 59% forecl. Mix: 37% land & devel., 45% resid. 17% comcl. Financing: \$7.4M debt is 0.8X \$9.0M equity. \$7M bank debt at max. 8½% to 11/79; Assets pledged.

EPS:	Feb.	May	Aug.	Nov.	Year
FY'78	15ca	5ca	d1c	1c	0.20a
FY'79	5cb	4c			

a- Incl. 12c asset sale gains, 17c interest recovery. b-Incl. 9c loss res. recovery '79.

(CAN END REIT; Self-administered)

2 -MONY MTG: \$8.88 (MYM-NYSE) Comment: Hold;

Buy if div. is cut. (Sh: 8952T, Book \$9.72) Converts: Safe yield. Intangibles: Loss Res. 11c; Depr. 24c. Assets: \$222M, 8% non-& low-earn; 5% forecl. Mix: 22% office, 31% multi-fam., 25% shop. ctrs.; 41% ST mtgs., 40% LT mtgs. Making new ST commitments. Financing: \$142M debt is 1.6X \$87M equity. \$93M ST debt, incl. \$70M comcl. paper. Plans selling 3 props.

EPS:	Aug.	Nov.	Feb.	May	Year
FY'78	16c	16c	16c	38ca	86ca
FY'79	17c	17c	18c	30c	83cb

a-Incl. 26c borrower restructure gain.

b-Inc. 7½c sale gains.

Div: 92c ann. rate but under "constant consideration". (Major life co. adviser)

#1N-MORAGA CORP: \$5.25 (MORA-OTC) Comment: Good

spec. on acquisitions; Borrowed from life co. to repay banks & boost book value. (Sh: 1355T; Bk \$7.88). Converts: Spec. yield. Intangibles: Loss res. \$4.01; Taxloss \$14.76. Assets: \$41M, 13% non-& 62% lowearn; 62% forecl; Mix: 20% land, 19% apts. Financing: \$25½M debt is 2.4X \$10.7M equity; Borrowed \$10.3M from New England Mut. on secured basis & repaid banks.

EPS:	Oct.	Jan.	Apr.	July	Year
FY'78	d6c	25c	22c	2c	43ca
FY'79	d20c	6.46a	97ca		

a-Incl. swap gains, taxloss benefits & interest forgiveness: 69c '78; 7.32 '79.

(NON-QUAL CORP; Self-administered)

1 -MTG GROWTH: \$9.75 (MTG-ASE) Comment: Spec.

buy/hold for LT recovery and 9.3% yield. (Sh: 2640T, Book \$10.62+Depr. 1.24=\$11.86) Intang: Loss Res. 30c. Assets: \$46M, 17% non-earn; 4% held for sale. Mix: 61% apts., 26% offices; 34% Cal. Financing: \$20.3M debt is 0.7X \$28M equity; Debt: \$6.8M converts, \$0.1M banks, \$13½M mtgs.

EPS/GCF	Feb.	May	Aug.	Nov.	Year
FY'78	10/18	12/20	13/21	14/22	49/81c
FY'79	16/22	24/30a			

a-Incl. 8c land sale gain.

Div: June 22c, 88c/ann. (Independent mgmt.)

3N-MTG INV WASH: \$2.50 (MINVS-OTC) Comment:

Trading, recovery potential. (Sh: 2146T, Book \$3.75) Bonds: Risky yield. Intangibles: Loss res. \$1.16; Taxloss \$5.59. Assets: \$46M, 33% non-& 11% low-earn; 38% forecl. Mix: 21% apts., 15% shop. ctr.; 15% mobile home. Financing: \$36M debt is 4.5X \$8.1M equity. \$10M sr. bank at 112½% of ¼% over prime, to 12/15/79.

EPS:	June	Sept.	Dec.	Mar.	Year
FY'78	11ca	d15c	d1.14	d54c	d1.72a
FY'79	25cb	d22c	d4c	d35c	d 36cb

a-Incl. 14c sale gains; b-38c sale gains.

(NON-QUAL TRUST; Self-adm. 1/79)

1N-MTG TR AM: \$7.75 (MT-NYSE) Comment: Buy/hold

at 45% below book. Deciding soon whether resume div. or use EPS to rebuild book. May joint vent. develop.; Bought 6.4% of Prudent. (Sh: 3860T, Book \$13.77) Intangibles: Loss res. \$1.59; Tax-loss \$2.07. Assets: \$58M, 46% nonearn; 32% forecl. Mix: 43% land & devel., 18% hotels, 18% apts.; Financing: \$4M debt (all mtgs.) is 0.07X \$53M equity. All bank debt repaid.

EPS:	Feb.	May	Aug.	Nov.	Year
FY'78	18ca	48cb	14c	42cab	1.22ab
FY'79	21cab	23ca			

a-Incl. prop. sales: 36c '78; 15c '79. b-49c int. & 17c loss res. recovery '78; 5c int. '79. (Advised by sub. of Transamerica Corp.)

4N-NATL MTG: \$1.06* (NMF-OTC) Comment: Moderating risk that land holdings will be difficult to market. First phase of Gwinnett Co., GA lot near sellout. Broker Brent Baird holds 6.7%. (Sh: 3707T, Bk \$2.01) Intangibles: Loss res. \$2.48; Taxloss \$2.97. Assets: \$27M, 71% non-& 8% low-earn; 59% forcl. Mix: 74% land, 42% Fla. Financing: \$12M debt is 1.6X \$7.5M equity; \$8.3M secured bank credit w/no interest in Ch. XI settlmt. Earnings: Feb. Q d2c; Feb. FY 5c incl. 9c swap gains. (FY Feb.; NON-QUAL TRUST)

2 -NATIONWIDE RE: \$16.00 (NRELS-OTC) Comment: Hold for merger. Trustees accept Buckeye S&L offer of \$18.25 in new 9-7/8% convt. pfd. (Sh: 1047T, Book \$24.45) Converts: High yield. Intangibles: Loss Res. \$1.22. Assets: \$28M, 52% non-earn; 39% foreclosed; Halted new loans. Mix: 25% medical, 14% condos, 11% land; 30% Ohio, 17% Ind. Financing: \$6M sub. debent. debt is 0.3X \$25M equity; Earnings: Mar. Q 13c. Div: 52c ann. rate. (FY Mar.)

3N-NEWCORP INC. (was COUSINS): \$2.88 (NWC-NYSE) Comment: Hold sh. & bonds for poss. benefits of diversification; Merged into holding co.; Fuqua Indus. to get 5-yr. option to buy 25% of Newcorp sh. at min. \$1.75/sh. if it makes \$15M acquisition by 12/79. Old Cousins assets held in sub. CMEI, Inc. (Sh: 3845T, Book \$1.39) Intangibles: Loss res. \$6.12; Taxloss \$13.45. Assets: \$103M, 45% non-& 26% lowearn; 63% forecl; Mix: 43% land/develop, 21% apts., 16% lodgings. Financing: \$78M debt is 14.5X \$5.4M net equity. \$49M bank debt at income or 2%, plus contingent inter. to 12/79.

EPS	Nov.	Feb.	May	Aug.	Year
FY'78	d10c	d17c	d5c	d1c	d33ca
FY'79	d22cr	d 6cb	48cb		

a-Asset swap gains: 73c. b-35c swap & 31c sale gains. r-Restated. (NON-QUAL CORP)

2 -NEW PLAN RL: \$10.00 (NPR-ASE) Comment: Buy/hold for good quality yield; Sold 500T sh. @ \$10 to redeem convts. & buy props. (Sh: 3041T, Net book \$3.77 + Depr. \$2.33=\$6.10) Assets: \$21M; no nonearn. Mix: 71% shop. ctrs. owned, 14% resid. Specializes in older shop. centers. Financing: \$17M debt is 1.4X \$11M equity; Debt 82% mtgs., 18% sub. EPS/CFS: Oct. Jan. Apr. July Year
FY'78 25/25a 25/25a 18/17 0/0a 68/67ca
FY'79 23/22 19/18 19/18
a-Incl. 5c sale gain. Div: June incr. to 84c/yr., pd. monthly (Self-admin.)

3N-NJB PRIME: \$3.75* (NJB-OTC) Comment: Hold/buy for Ch. XI benefits or potential merger; Prime Motor Inns offer @ \$5.50 rejected 6/79. (Sh: 1852T, Bk \$3.93) Intang: Loss res. \$4.90; Taxloss \$12.03. Assets: \$20M, 54% nonearn; 32% forcl. Mix: 43% motor lodges/restaurants, 27% condos. Financing: \$5M debt (most mtg.) 0.6X \$7M equity. Ch. XI plan confirmed 3/12/79; Deb. holders took \$681T 6% convts. + 482T shs. + \$1.4M cash. Swapped \$41M assets to repay all bank debt. EPS: May Q \$11.54 incl. \$12.71 gain on swaps. (FY Nov.; NON-QUAL; Self-admin)

3N-NO. AMER: \$4.63 (NAM-NYSE) Comment: Hold; Debt deal avoids default but dilutes stock;

Amer. Fincl. buys 36% in restructuring, may buy more. (Sh: 6901T, Book p\$5.82) Bonds: Hold 8 1/2s. Intangibles: Loss Res. \$1.51; Tax-loss NA. Assets: \$130M, 31% non-& 57% low-earn 72% forcl. Mix: 51% apts., 25% condo; 28% FL. Financing: \$81M debt 2.0X \$41M equity; \$32M bank @ 117% prime, 12% maximum.

EPS:	Mar.	June	Sept.	Dec.	Year
1978	d34c	d37c	d32c	d26c	d1.29a
1979	d40ca	d20c			

a-Incl. sale gains: 12c '78; 3c '79. (Self-admin.)

3 -NORWSTRN MUT: \$11.50 (NML-NYSE) Comment: Hold, 1% prime=2c/sh. qtr. but downside appears discounted. (Sh: 4758T, Book \$19.03) Convts: Safe. Intangibles: Loss res. 65c. Assets: \$239M, 8% non-earn; 7% foreclosed. Mix: 29% office, 24% shop. ctr., 12% industrial; 57% LT mtgs. Financing: \$150M debt is 1.7X \$91M equity. \$77M open bank lines; \$14M comcl. paper.

EPS	June	Sept.	Dec.	Mar.	Year
FY'79	49Cb	17c	20c	21c	\$1.07b
FY'80	27c				

a-15c sale gain. b-35c sale gains in '79. Div: \$1/yr. rate; being helped by capital gains. (Major life insur. co. adviser)

2 -PACIFIC RLTY: \$20.62 (PTR-ASE) Comment: Buy/hold for improving equity base. (Sh: 840T, Book \$17.40+Depr. \$4.22=\$21.62) Mgmt. est. prop. value @ \$8.40/sh. over net book. Intang: Taxloss \$5.24. Assets: \$44M, 4% non-earn; 2% forcl. Mix: 66% prop. owned or under construction, most industrial, rest office. Financing: \$28M debt is 1.9X \$15M equity. \$15M secured term loan to 2/28/84.

EPS/CFS	Aug.	Nov.	Feb.	May	Year
FY'78	4/23c	10/8c	11/27c	48/65c	53/\$1.23a
FY'79	28/44b	28/45b	48/65b	83/98c	1.87/2.53b

a-29c loss res. credit. b-31c loss res. credit & 62c sale gains. Div: Incr. to \$1.00/ann. rate in May'79; new debt pact lets pay up to 100% of cash flow. (Self-administered 3/79)

1 -PACIFIC SO: \$8.75 (PSMTS-OTC) Comment: LT hold; Chrm. of Mission Inv. buys 7.6% & calls for liquidation vote; Trust pres. owns 5 1/2%. (Sh: 800T, Bk \$12.21) Intang: Loss Res. 82c. Assets: \$9M, 0.2% nonearn & forcl. Mix: 88% comcl. LT loans, 6% property. Financing: No debt over \$9.8M equity.

EPS:	June	Sept.	Dec.	Mar.	Year
FY'78	13c	17c	15c	13c	58c
FY'79	15c	19c	24c	39ca	97ca

a-23c litigation settlement gain. Div: Pd. 44c May, incl. yr-end extra. (Self-admin)

1 -PENN RE: \$20.38 (PEI-ASE) Comment: Buy/hold LT for yield & gains. (Sh: 1561T, Bk \$14.05) Intangibles: Depr. \$13.66. Assets: \$61M. Mix: 25% apts., 64% shop. ctrs. Financing: \$53M debt is 2.4X \$22M equity. Debt: 89% mtgs.; borrows under \$6M bank lines.

EPS	Nov.	Feb.	May	Aug.	Year
FY'78	82c	24c	37c	87c	\$2.30b
FY'79	50c	46c	54c		

b-Incl. 88c sale gains. Div: \$1.65 paid semi-annually, up 14%. (Phil. rltly. management)

5N-PLAZA RL: \$1.75 (PRISS-OTC) Comment: Avoid or trade only. Discussing sale to private investor. (Sh: 1114T, Book 82c)
Intangibles: Loss Res. \$2.22; Taxloss \$9.25.
Assets: \$18½M, 66% nonearn; 38% forcl. Mix: 72% prop. owned. Financing: \$14M debt is 15.6X \$910T equity. Debt: \$8M mtgs.; \$5½M bank at 1% cash or earnings to 1983 up to prime.
Earnings: Dec. '78 year d2c, incl. 40c loss res. credit, Mar Q nil. (FY Dec.; NON-QUAL; Self-ad.)

#2 -PNB MTG: \$11.88 (PNI-NYSE) Comment: Hold for LT recovery; Cutting interest vulnerability & plans share-share exch. for Sutro Mtg. (Sh: 2437T, Bk \$19.13) Intangibles: Loss Res. 49c. Assets: \$92M, 3% non-& 11% low-earn; 13% forcl. Mix: 40% LT mtgs.; 46% apts., 16% office & industrial. Adding assets.
Financing: \$50M debt is 1.1X \$47M equity; \$29M comcl. paper.

EPS:	Dec.	Mar.	June	Sept.	Year
FY'78	22c	16c	23c	24ca	85ca
FY'79	56cb	24c	26c		

a-Incl. 5c prop. sale gains. b-35c sale gain.
Est: FY'79 EPS rising. Div: 27c qtr., \$1.08 ann. rate. (Adv. Phil bank subsidiary)

2 -PROP CAP: \$14.50 (PCL-ASE) Comment: Buy/hold for hi yield & modest EPS gain; Invest. in new warehouses. (Sh: 2065T, Book \$13.73) Intangibles: Loss res. 58c. Assets: \$48M, 6% non-earn. Mix: 36% apts., 29% office, 20% shop. ctrs.; 67% leasebacks, 33% LT jr. mtgs. Seek new investments. Financing: \$19.4M debt is 0.7X \$28M equity; \$15M Bank lines at prime; \$5M borrowed.

EPS:	Oct.	Jan.	Apr.	July	Year
FY'78	30c	30c	30c	30ca	1.20a
FY'79	30cb	33c	35c		E1.25

a-Incl. 10c sale gain. b-10c sale gain.
Div: Incr. to \$1.40/ann. rate in Apr. qtr. (Independent mgmt)

2 -PROP TR AM: \$5.84 (PTRAS-OTC) Comment: Hold; Shamrock Assoc. owns 8.6% & will seek liquidation. (Sh: 2338T, Bk \$7.41 + Depr. \$1.53=\$8.94) Assets: \$32M, 8% nonearn; 8% forcl. Mix: 18% mtgs; 73% investment prop.; 85% Tex. Joint ventures to build props. & use foreclosed land. Financing: \$14½M debt is 0.8X \$17M equity; \$14M mtgs.

EPS/CFS	Mar.	June	Sept.	Dec.	Year
1978	2/6b	2/5	11/15b	6/8	20/35cb
1979	7/13a	7/			

a-Incl. 3c prop. sale gain. b-6c gain & 3c tender expense.

Div: Upped to 40c/yr; '78 div. 52% return of capital, 14% cap. gains. (Self-admin.)

2 -RL & MTG PAC: \$16.33 (RPACS-OTC) Comment: Sh. & Converts: Hold, moderately vulnerable to interest rates. (Sh: 1890T, Bk \$18.23) Intangibles: Loss Res. 20c; Depr. E59c. Assets: \$101M, 0% non-earn; E14% forcl. Mix: 26% hotel/motel, 23% office; 58% mtgs; 42% prop.; 46% Calif., 22% Hawaii. Financing: \$67M debt is 1.9X \$34M equity; \$60M bank credit to 12/82; \$30M comcl. paper backing & \$30M line to 9½% max.

EPS:	Feb.	May	Aug.	Nov.	Year
FY'78	24c	31c	29c	38c	1.22
FY'79	53ca	34cb			

a-Incl. 20c cap. gain, to be paid at yr-end.
b-Incl. 3c litigation income.

Div: \$1.40/yr., incl. about 20c/sh. depr. (Bank of Hawaii adviser)

2 -REIT AMER: \$21.00 (REI-ASE) Comment: Hold for LT improvement of prop. yld. Sold Atlanta industrial park in Apr. (Sh: 1633T, Book \$22.59) Intangibles: Depr. \$7.88. Assets: \$40M, prop. 7% vacant overall. Mix: 44% shop. ctrs., 25% office, 19% indust.; 45% Cal., 12% Mass. Financing: \$18M mtg. debt is 0.2X \$37M equity.

EPS:	Feb.	May	Aug.	Nov.	Year
FY'78	67c	31c	28c	44c	1.70a
FY'79	63ca	1.13a			

a-Prop sale gains: 40c FY'78; 85c '79.
Div: \$1.60/yr rate; Div. paid since 1887. Paid 20c extra. in Jan. '79. (Self-adm.; Oldest U.S. trust)

2 -RLTY INCOME: \$11.75 (RIT-ASE) Comment: Hold LT for improving properties, good 12% yield. High inter. hurts EPS. European group owns 20% of shares. (Sh: 1591T, Book p\$11.24) Converts: Yield. Intangibles: Loss res. 95c. Assets: \$69M, 36% non-& 13% low-earn; 42% forcl. Mix: 39% mtgs., 19% invest. prop. Financing: \$54M debt is 2.9X \$18M equity; \$136M under \$23½M bank lines at prime; \$20M term at 1½% over prime to '80.

EPS:	July	Oct.	Jan.	Apr.	Year
FY'79	0.32	3.32b	d16c	Nil	\$2.55b

b-Incl. \$3.94 sale gains.
Div: \$1.40/yr., paying cap. gains. (Self-adm)

3 -RLTY REFUND: \$14.50 (RRF-NYSE) Comment: Hold; EPS partly sensitive to prime. (Sh: 1377T, Bk \$17.33) Bonds: Attractive for yield. Intangibles: No reserve. Assets: \$65M, no problems; Mix: 80% wraparound mtgs., 20% LT mtgs; 43% apts., 21½% office, 19% industrial. Financing: \$40M debt is 1.7X \$24M net equity; \$5M bank debt at prime to 10/81.

EPS:	Apr.	July	Oct.	Jan.	Year
FY'79	51c	47c	42c	41c	1.81
FY'80	40c				

Div: Apr. Q 40c, down 2%. (Adv. Independent realty group)

3N-REPUBLIC MTG: \$1.75 (RMI-NYSE) Comment: Trading, spec. on swaps; still in red. (Sh: 2107T, Book \$3.07) Intangibles: Loss Res. \$3.90; Taxloss \$11.51. Assets: \$43M, 68% non-& 17% low-earn; 76% forcl. Mix: 28% land acq. & devel., 19% condos, 62% Fla. Financing: \$26M debt is 4.0X \$6.5M equity. \$22M bank credit to 12/79 at prime, pay 2% cash.

EPS:	Mar.	June	Sept.	Dec.	Year
1978	d30c	+0ca	d10c	d33c	d73ca
1979	d50ca	d17ca			

a-Incl. swap gains: 30c '78; 21c '79. (NON-QUAL TRUST, Independent adv.)

2 -RIVIERE RL: \$6.00* (OTC) Comment: Improving but small. (Sh: 783T, Book \$8.55 + Depr. \$4.85=\$13.40) Assets: \$22M, 2% forcl. & NE. Financing: \$15M debt is 2.3X \$6.7M equity. \$9M mtgs. on prop. Earnings: Mar. Q EPS 12c; Mar. CFS 17c vs. 26c Dec. Div: 60c/ann. rate. (FY Dec.)

2 -SAN FRAN RE: \$22.25 (SFI-ASE) Comment: Buy/

hold LT for yield & gains. Unicorp Fin., Can., owns 7.2%. (Sh: 1387T, Bk \$19.69+Depr. \$5.34= \$25.03) Intang: Loss res. \$1.39; Assets: \$63M, 5% forcl. & non-earn. Mix: 70% office, most bank occupied; 6% apts. Seeks new props. Financing: \$33M debt is 1.2X \$27M equity.
EPS/CFS Mar. June Sept. Dec. Year
 1978 23/28¢ 25/33¢ 29/35¢ 33/40 1.10/1.36
 1979 32/40¢ 40/43¢
Div: \$1.60/yr. rate. (Independ.)

2N-SAUL RE: \$8.50 (BFS-NYSE) Comment: Still buy-out candidate; Props. improving & selling apts as condos. Insiders own 16.3%. (Sh: 5893T, Bk \$4.35) Bond & converts: For yield. Intangibles: Loss Res. 3¢; Depr. \$3.70; Taxloss \$6.66. Assets: \$239M, 11% non- & 6% lowearn. Mix: 97% props; 39% shop. ctrs., 28% apts. Financing: \$213M debt is 8.3X \$26M equity; \$49M under bank revolver at 125% prime; \$104M mtgs. incl. new \$51M w/proceeds to pay banks.
EPS: Dec. Mar. June Sept. Year
 FY'78 d29¢ d20cb d16cb d20cb d84cb
 FY'79 d13cb d20cb

b-Incl. 25¢ gain on asset sales in '78; 2¢ in '79.

37¢ gain in Jun. Q from apt. sale.

(NON-QUAL TRUST: Wash rly. group advisor)

1N-SECURITY MTG: \$4.13 (SMO-ASE) Comment: Buy; Sold 923T sh. @ \$3.25 to Smith, Barney RE, signaling poss. EPS breakout. Holder filed suit re sale below book value. Discussing merger w/ Wachovia Rly. (Sh: 7410T, Book \$5.70) Bonds: Fairly priced. Intang: Loss res. \$1.40; Taxloss E\$2.45. Assets: \$110M, 27% nonearn; 20% forcl. Mix: 42% comcl. mtgs., 17% medical mtgs. Finances: \$59M debt is 1.4X \$42M net equity; \$5M bank debt at 125% of prime extended to 8/15/79. Renegotiating for \$15M.
EPS: Dec. Mar. June Sept. Year
 FY'78 d2¢ d1¢ d13¢ d3¢ d18¢
 FY'79 d1¢ 6¢ 14¢

a-Incl. 4¢ debt extinguishment gain.

(CAN END REIT: Smith Barney affil. is adv.)

2N-SO ATLANTIC: \$4.75 (SAT-NYSE) Comment: Improving spec. on condo sales or acquisitions. (Sh: 2706T, Book \$2.64) Bonds: Inter. current. Spec. yield. Intangibles: Loss Res. \$4.84; Taxloss \$8.72. Assets: \$98½M, 75% non- & 14% low-earn, 89% foreclosed. Mix: 53% apts/condos, 40% land; 90% Fla. Financing: \$81M debt is 10.1X \$8M equity. \$61M bank credit to 6/79 accruing at prime.
EPS: Jan. Apr. July Oct. Year
 FY'78 d57¢ d46¢ 8¢ 34¢ d61¢
 FY'79 d35¢ d37¢

a-83¢ loss reserve credit. b-57¢ swap gain & 40¢ sale gain '78; 49¢ & 22¢ '79.

(NON-QUAL; Became SO. ATLANTIC FINANCIAL CORP.)

2N-STATE MUT: \$4.88 (SMU-NYSE) Comment: Spec. on benefits of new money; agrees to merge with Greenville Corp. & sell 2.79M new sh. for \$5.03/sh. (\$14M) cash & assets to Belzberg Group, Canada; then offer new sh. to present holders @ \$5. (Sh: 2786T, Bk \$9.11) Bonds: Hold. Intang: Loss Res. \$1.72; Taxloss \$7.33. Assets: \$43M, 53% non- & low-earn; 32% forecl. Mix: 25% apts.; 24% land. Financing: \$23M debt is 1.0X \$23M equity.

EPS: June Sept. Dec. Mar. Year
 FY'79 6¢ 23¢ 10¢ 69¢ 1.08b
 FY'80 19¢

a-Taxloss benefiti & asset sales 28¢.

b-Taxloss benefit 32¢; asset sales 39¢ & 41¢ interest forgiven.

(NON-QUAL TRUST: Major life co. adv.)

2 -SUTRO MTG: \$11.00 (SUT-NYSE) Comment: Buy for LT recovery at 36% below book value; To seek shareholder ok of sh.-for-sh. exch. for PNB Mtg. & Rly. (Sh: 2322T, Book \$15.65) Converts: Safe yield. Intangibles: Loss Res. \$1.18. Assets: \$66M, 7% nonearn; 7% forcl. Mix: 27% office, 13% hotel/motel, 22% indust.; most CA. Financing: \$26M debt is 0.7X \$36M equity; Debt is 76% converts, rest bank lines.
EPS: June Sept. Dec. Mar. Year
 FY'79 26¢ 32¢ 25¢ 27¢ 1.11b
 FY'80 23¢
 b-Incl. 34¢ asset sale gains.
Div: 25¢, qtr. \$1/yr. rate. (Advised by Los Angeles mortgage banker)

2N-TEXAS FIRST: \$4.75 (TFMRS-OTC) Comment: Spec. on recovery or favorable merger. Last operating props. sold Dec. Q. Eastover owns 31% sh. (Sh: 1055T, Book \$7.87) Intangibles: Loss Res. \$2.61; Taxloss \$8.53. Assets: \$11M, 88% nonearn; 67% forcl. Financing: \$0.7M bank debt is 0.08X \$8.3M equit; Bank credit paid off 5/79. Earnings: Mar. Q d8¢ after 4¢ sale gain. (FY June; NON-QUAL TRUST: Self-adm.)

2N-TIERCO: \$5.00 (TIERS-OTC) Comment: Spec. at 47% below book; NYC investor J. Upham holds 10%. Negotiating to acquire Viking Inc., Alaska land owner with \$7.7M in notes, for 1.2M shs. (Sh: 1186T, Book \$6.41) Intangibles: Loss Res. \$2.02; Taxloss \$9.61. Assets: \$28M; 30% non- & 49% low-earn. Mix: Heavy Okla. & Tx. Financing: \$14.7M debt is 1.9X \$7.6M equity; \$1M bank debt accrual to 8½% or prime, to 6/80, following \$3M plus 500T shs. payment. Earnings: Dec. FY 75¢ after 65¢ swap gain. June Q 56¢ after 51¢ debt rep. (FY Dec.; NON-QUAL TRUST; Self-adm.)

2N-TRECO INC: \$1.44 (TRECS-OTC). Comment: Improving spec. on restructuring & expanding rly. mgmt. (Comm.Sh.: 2289T, Book p\$1.07) Bonds: Inter. current on all bonds. Old 8½% & new pfd. now convertible at \$1.62/sh. or 5.39M poss. shs. Westchase Rly., Neth. Antilles co., buys \$1.3M of 8½%. Intangibles: Loss Res. \$10.03; Taxloss \$25.29. Financing: \$79M debt is 39X \$2M equity; \$59M six-year bank credit at 1% inter. + partial asset pledge. Earnings: Mar. Q 18¢; Mar. FY 5¢ incl. 1¢ extra gains. (FY Mar., Now self-administered CORP.)

1N-TRI-SOUTH MTG: \$3.25 (TRI-NYSE). Comment: Buy; meeting liquidity needs; \$1.49/sh. inter. forgive. June Q following bank debt cut below \$5M at 6% w/ proceeds from land sales and loan; Morgens/Waterfall, NYC, cld. convert to 13.4% of sh. (Sh: 2276; Book \$5.62) Bonds: New 10% sr. notes due '92 convt. @ \$2½; Old 7-3/4s current but \$11.4M due 2/15/80. Intang.: Loss res. \$9.18;

Taxloss \$10.58. Assets: \$74M, 57% nonearn., 16% low; 45% forcl.; Mix: 39% mtgs., 16% invest. props.; 33% GA, 21% TX. Financing: \$43M debt is 4.9X \$8.9M equity.

EPS	Mar.	June	Sept.	Dec.	Year
1978	d23c	d 5cb	1.34b	30cb	\$1.73b
1979	23ca	1.90a			

a-\$1.77 taxloss benefits & restructure gains.
b-\$1.48 restructure gains. (Adv. by 3 SE banks; NON-QUAL)

4N-UMET TRUST: \$2.63 (UAT-NYSE). Comment:

Spec.; Perpetual Storage, private Utah co., bought 14% & took control 3/79. (Sh: 2109T, Bk 48c) Intangibles: Loss Res. \$6.76; Taxloss \$9.01; Depr. 78c. Assets: \$76M, 20% non-, 42% low-earn; 55% forcl. Mix: 26% offices. Financing: \$59M debt is 58X \$1M equity; \$45M bank credit to 9/79 at 3%; Renegotiating.

EPS:	Feb.	May	Aug.	Nov.	Year
FY'78	d50ca	d2.16a	d72ca	\$1.15a	d2.23a
FY'79	2.79b	d 30c			

a-Incl. 82c asset swap gains & \$2.74 inter. forgive. b-Incl. 95c inter. forgive & asset swap gains. (NON-QUAL TRUST; Self-admin.)

#1 -UNITED RLTY: \$10.25 (URT-ASE). Comment: Buy

at 42% below book value for problem loan solution; Chrm. Weinberg bought 286T sh. from Fed. Devel. @ \$12.55/sh; owns 12.6%. (Sh: 3610T, Bk \$17.61). Intang: Loss Res. \$1.04. Assets: \$76M, 39% non- & 4% low-earn; 34% forcl. Mix: 17% GNMA's (pledged), 43% other mtg., 6% invest. prop. Financing: \$9M debt is 0.1X \$63M equity. Pledged GNMA's to repay banks \$8M.

EPS:	Feb.	May	Aug.	Nov.	Year
1978	20	20a	21a	20a	81ca
1979	20c	21c			E82c

a-2c sale, 2c prepay. gain & 5c litigation charge. Div: Upped to 88c/ann. in July. (Independent; Self-admin. as of 8/1/79)

2N-U.S. REALTY: \$8.38 (UTY-NYSE). Comment: Buy/

hold for long-term recovery; Restructuring bank debt & may resume div. Insiders buying. (Sh: 3434T, Net Book \$4.03+ Depr. 10.08=\$14.15)

Converts: OK for risk income. Intangibles: Loss Res. \$1.70. Assets: \$84M, 16% non- & 3% low-earn. Mix: 34% mtgs., 66% owned & joint venture property. Financing: \$66M debt is 4.8X \$13.8M equity; \$13.6M bank debt at 125% of prime; got OK to invest \$3.75M internal funds into equities.

EPS/CFS:	Mar.	June	Sept.	Dec.	Year
1978	d 6/7c	d5/8c	d6/7c	d11/13c	d26/39c
1979	17/31a				

a-22c asset sale gain.
(NON-QUAL; Cleveland rly. mgmt.)

2 -VIRGINIA REIT: \$12.50 (VARES-OTC). Comment:

Hold/buy for long-term; to repurch. 149T shs. from S.D. Fleet. (Sh: 1166T, Book \$9.57 + Depr. \$4.73 = \$14.30). Assets: \$36M, 9% foreclosed & nonearn. Mix: 95% prop. Finance: \$24.7M debt is 2.2X \$11M equity.

EPS/CFS:	Mar.	June	Sept.	Dec.	Year
1978	d5/16c	d9/4c	10/19c	9/23	15/54a
1979	11/25c	10/			

a-After 23c mtg. prepayment penalty.
Div: 80c/yr. rate (Self-admin.)

2N-WACHOVIA RLTY: \$5.63 (WRI-NYSE). Comment: Spec.

on LT recovery; Holder seeks liquidation; 38% below book; discussing merger w/ Security Mtg. (Sh: 3335T, Book \$9.13). Intang: Loss Res. \$3.90; Taxloss \$4.62. Assets: \$81M 39% non- & 16% low-earn; 49% foreclosed. Mix: 51% mtgs., 12% land & devel.; 20% shop.ctr., 19% hotel/motel. Financing: \$33M bank debt 1.1X \$30M equity; \$31M bank debt to 8/79 at prime + contingent inter. at 125% of prime.

EPS:	Nov.	Feb.	May	Aug.	Year
FY'78	d18c	d28c	d18c	d10c	d74c
FY'79	d60c	d8c	d10c		

(NON-QUAL REIT; S. Car. bank adv.)

2N-WALTER RLTY: \$5.75 (WALJS-OTC). Comment:

Buy/hold for merger/acquisition potential. (Sh: 1035T, Net Book \$7.62) Intang: Loss Res. \$2.41; Depr. 53c; Taxloss \$9.71. Assets: \$20M, 33% nonearn; 47% foreclosed; 64% property. Mix: 22% mob. home, 18% indus., 16% shop. ctr., 15% land; 47% Fla. Financing: \$10M debt is 1.2X \$8M equity. \$1M bank debt to 10/79 at 117% of prime; \$9M Eurodebt extended to 10/81.

EPS:	Oct.	Jan.	Apr.	July	Year
FY'78	d33c	d1.17	d40c	+67ca	d1.24a
FY'79	27ab	d7cb	d5cb		

a-Asset sales: \$1.01 '78; 42c Oct. '78.

b-Incl. 6c/sh. taxloss benefits in 9 mos.
(NON-QUAL TRUST; Bldg. mtls. co. adviser)

2 -WASHINGTON REIT: \$27.88 (WRE-ASE). Comment:

Buy/hold for income, quality assets, condo potential in apts. (Sh: 1519T, Book \$11.41 + Depr. \$6.83 = \$18.24). Assets: \$31M, no nonearn. Mix: All property, 98% in Wash. DC area; 56% hi-rise apts, 18% shop. ctrs. Financing: \$16M debt is 0.9X \$17M net equity. Debt is \$15.5M mtgs. + \$0.2M converts.

EPS/CFS	Mar.	June	Sept.	Dec.	Year
1978	34/38	47/52	38/43	52/59	1.70/1.93
1979	44/53				

Div: Raised to \$2.12/yr. rate in May.
(Independent)

2 -WELLS FARGO M&E: \$17.63 (WFM-NYSE). Comment:

Hold for recovery at book value; 1% prime cuts 3c off qtr. EPS. (Sh: 3923T, Book \$17.85) Intangibles: Loss Res. \$1.38; Depr. \$1.04. Assets: \$214M, 4% non- & 12% low-earn; 6% foreclosed. Mix: 69% mtgs., 27% invest. property. Financing: \$154M debt is 2.2X \$70M equity.

Has \$144M open bank lines backing \$122M comc'l. paper rated A-2. Making new commit.

EPS:	Sept.	Dec.	Mar.	June	Year
FY'78	31ca	39ca	30ca	34ca	\$1.34a
FY'79	42a	40a	51ca	60c	1.93a

a-Asset sale gains: 24c '79; 26c FY'78.

Inter. recovery: 15c '78; 17c '79
Div: June 35c; \$1.40/ann. rate. (West Coast bank adviser)

2 -WESTERN MTG: \$5.00 (WMTGS-Bos). Comment: Recov-

ery spec.; Insiders buying; Paid yr-end div. (Sh: 1003T, Book \$7.83). Intang: Loss Res. 76c; Depr. 41c. Assets: \$20M, 20% non- & 4% low-earn. Bought 107T sf Shop. Ctr. in N.H. Mix: 44% mtgs., 56% prop. Financing: \$12M debt 1.5X \$8M equity. Earnings: May Q 26c. Div: Paid 5c 7/79.

2N-WESTPORT CO: \$4.00 (WSPTS-OTC). Comment:

Spec. buy; Deltec Panamer., S.A., buys 6.8%.

(Sh: 2388T, Book \$4.58). Converts: Possible tender. Intang: Loss Res. \$5.27; Taxloss \$6.87. Assets: \$71M, 45% non- & 20% low-earn; 31% held for sale, 20% investment; 26% land, 21% office. Financing: \$47M debt is 4.3X \$11M equity. \$42M bank debt to 8/79 at 4% or net income w/conting. int. to 8%; Earnings: dl½¢ in Apr. qtr. (NON-QUAL; Self-adm.)

on improving trend; Pincus/Abbott bought 8.4% sh. (Sh.: 1514T, Net Book \$5.10+Depr. \$3.65= \$8.75) Intang: Loss res. 10¢. Taxloss \$1.99. Assets: \$31M, 0.3% nonearn. Mix: 69% props., 18% constr. inventory, 13% mtgs. Bought Orlando homebldr 12/77 & developing land. Financing: \$22M debt is 2.8X \$8M equity. \$19M mtg. debt; \$3M short term. Earnings: June Q 5¢ incl. 2¢ tax credit. Div: Paid 4¢ special in Apr. '79. (FY Dec.; NON-QUAL TRUST; Self-adm.)

2 -WISC RE: \$4.50 (WREIS-OTC). Comment: Spec.

REIT TAX STATUS: All trusts listed except those noted, qualify as real estate investment trusts and are exempt from Federal income taxes to extent they distribute 90% of income to shareholders. Qualified trusts may use taxloss carryforwards to shelter future profits and rebuild capital. Non-qualified trusts have no dividend distribution requirement. Three stages in transition are shown: VOTING POWER TO END REIT STATUS when a proposal is pending before shareholders to give trustees discretion over whether to continue to qualify; CAN END REIT STATUS, when shareholders have given trustees power to end qualification; and NON-QUAL TRUST, when trustees have ended qualification and the entity operates as a business trust taxed as a corporation. Trustees of these entities generally have made no decision on whether to requalify and investors should not assume they will requalify and pay dividends if and when profits are restored. The 1976 Tax Reform Act restricts requalification.

Technical notes: Net cash flow per share (CFS) is computed by Audit as: Net income plus depreciation and partnership distributions in excess of earnings less mortgage principal payments and remodeling reserves. Intangibles: Depreciation is added to book value by Audit to approximate market value of properties for cash flow trusts (See RTR, 3/23/79); Loss reserves will normally be spent unless trust recaptures via accelerated dispositions, mainly via asset swaps; Taxloss carryforwards are generally worth 10% to 25% of amounts shown but value varies widely depending upon timing, aggressiveness of management, etc.

MAJOR DEVELOPMENTS AND DATA CHANGES IN THIS ISSUE

The following stock reviews in this issue contain major new developments or financial data since our last Relative Appeal Ranking issue June 8, 1979:

Amer. Fletcher MI	Cont. Ill. Rlty.	Hanover Sq. Rlty.	Mtg. Inv. Wash.	Security Mtg.
Amer. Realty	Cont. Mtg. Inv.	Heitman Mtg. Inv.	National Mtg.	So. Atlantic
BankAmer. Rlty.	Diversified Mtg.	Hospital Mtg. Gr.	Nationwide RE	Sutro Mtg.
Barnes Mtg. Inv.	First Denver Mtg.	Hotel Investors	NJB Prime Inv.	TIERCO
Builders Inv. Gr.	First Mtg. Inv.	Hubbard REI	NW Mut. Life Mtg.	Tri-South Mtg.
Central Mtg.	First Newport Rl.	IDS Realty	Pac. Southern	United Realty
Chase Man. M&R	First Penn. Mtg.	Institutional Inv.	Plaza Realty	U.S. Realty
C.I. Mtg. Group	First Union RE	IRT Property Co.	Property Capital	Virginia REIT
C.I. Realty	First Virginia MI	Lifetime Commun.	Prop. Trust Amer.	Wachovia Rlty.
CleveTrust Rlty.	Gen. Growth Props.	M&T Mtg. Inv.	Rlty. & Mtg. Pac.	Walter Realty
CMT Investment	GMR Properties	MassMutual M&R	REIT of Amer.	Washington REIT
Conn. Gen. M&R	Growth Realty	Metroplex Rlty.	Realty ReFund	Wells Fargo M&EI
Compass Inv. Gr.	Guardian Mtg.	Mission Inv.	Republic Mtg.	
Cont. Ill. Props.	Hamilton Inv.	Mtg. Growth Inv.	Saul (B.F.) REIT	

NAME CHANGES COMPLETED OR PENDING (see text)

Bayswater Mtg. & Rlty. from	IRT Property Co. from
Baird & Warner M&R (eff. 6/79)	Investors Rlty. (eff. 6/79)
Homac-Barnes, Inc. from	First Carolina Inv. from
Barnes Mtg. Inv. (not final)	NW Finc'l. Inv. (7/79)
C.I. Realty -- new name not yet selected.	Summit Properties merged into
	IRT Property 6/79
CMT Investment Tr. from	So. Atlantic Financial from
Colwell Mtg. Tr. (eff. 7/79)	So. Atlantic Trust (eff. 7/79)
Indiana Finc'l. Inv. from	
Indiana M&R (eff. 7/79)	